The Newsletter of Legislative and Regulatory Issues Facing Maine Business

FINAL LEGISLATIVE SUMMARY | 129th Maine Legislature, Second Regular Session

June 2020

A session ends like no other

Shortened by the pandemic, legislative session leaves hundreds of issues unresolved

There have been unusual endings to legislative sessions in the past. Some have been in the middle of the night; others drag out for months before finally adjourning. Some have ended bitterly, filled with acrimony. Still others with warm handshakes in gratitude for positive work done on behalf of Maine people. None have ever ended in isolation, with the capital barred to all members of the public, except for lawmakers, due to a global pandemic that has infected millions and killed hundreds of thousands of people.

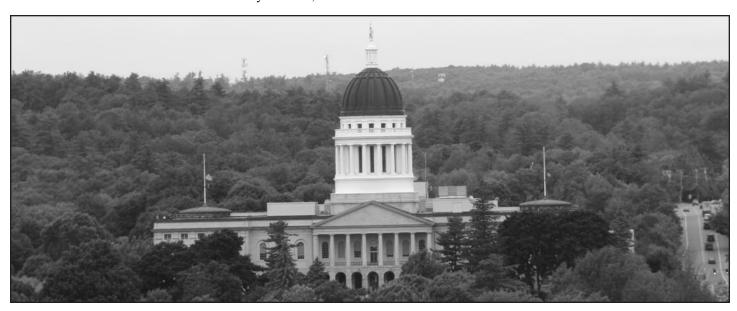
Soon after the legislature returned to Augusta in January 2020, word began to spread across the globe that an unknown virus had surfaced in China and its effects on the human body were devastating. The Chinese government began efforts to contain the virus. However, it soon crossed beyond their borders into the rest of Southeast Asia, Korea, Europe, and finally in February, into the United States.

The legislature had been working at their usual pace to complete the work started in 2019 during the first session. In addition to approximately 400 "carry over" bills from the first session, the Legislative Council allowed nearly 300 new pieces of legislation – a relatively manageable number compared to previous legislatures – bringing the total number of bills considered during the two years to 2,167 bills.

As the spread of the virus morphed into a global pandemic, it became clear that it would impact how the legislature operated, and how Maine would face the impending difficult decisions that would need to be made in order to reduce the spread of the disease. As we entered the first week of March, longtime observers realized that with more than a calendar month left in the legislature's schedule, time would run out long before the remaining hundreds of bills left in committee could be acted upon.

Layered on to this was the impending shutdown of nearly all economic activity

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About the Maine State Chamber of Commerce: Since 1889, the Maine State Chamber has been fighting to lower your cost of doing business. Through our Grassroots Action Network and OneVoice program, we work with a network of approximately 5,000 companies statewide who see the value in such a service and provide the financial support that keeps our access, advocacy, and awareness efforts going strong. As Maine's Chamber, we make sure that the business environment of the state continues to thrive. The Maine State Chamber of Commerce advocates on behalf of their interests before the legislature and regulatory agencies and through conferences, seminars, and affiliated programs.

Session Overview... (Continued from Page 1...)

in Maine and the nation due to COVID-19 and the crucial efforts needed to "flatten the curve." When Maine announced its first confirmed case of COVID-19 in early March, the legislative process was dramatically accelerated. Initially thinking they would complete a month's worth of work in two weeks, that timeframe was shortened to one day, March 17, 2020.

The primary focus of that Tuesday was to pass emergency legislation to address the COVID-19 crisis. Usually the definition of "emergency" in these cases tends to be conditional, but in the case of this last day, the legislature kept to a tight understanding of what needed to be done. Furthermore, to their credit, legislators did so in an overwhelmingly bipartisan manner.

While a number of bills were finally enacted, the most important were passage of LD 2126, the supplemental biennial budget adjustments, and, LD 2134, which will authorize a bond package that consists of \$105 million for transportation infrastructure improvements and \$15 million for broadband expansion. The bond question will appear on the June ballot.

LD 2167, An Act To Implement Provisions Necessary to the Health, Welfare and Safety of the Citizens of Maine in Response to the COVID-19 Public Health Emergency, was the Governor's bill omnibus bill. Sponsored by Senate President Troy Jackson (D-Aroostook), it was intended to give the governor and state broad emergency powers to deal with the pandemic.

When the legislature left Augusta that Tuesday evening, they adjourned "sine die," or without day, which means, if they return - and based on statements by leadership, they do plan to return at some point - it would be for a special session sometime later in the summer or fall. While there has remained significant discussion, for a variety of agendas to return to Augusta, at this point neither leadership nor the Governor have indicated they plan to call lawmakers back anytime soon. The best educated guess would be to have them return in the summer or early fall.

There remained several very important pieces of legislation under consideration in committees and in both legislative bodies. These include bills to increase Maine's overtime threshold; to set up a first-in-the-nation mandatory packaging / recycling program; to authorize a local option sales tax; to increase the estate tax; to allow for a publicly-owned utility; and, to allow private practice attorneys to pursue wage-and-hour violations on behalf of the state, to name but a few. All these proposals were on the table prior to the economic devastation brought about by COVID-19 on Maine's small business community. It is hard to put into words how the legislative and economic outlook has changed in the past several months. With unemployment at record numbers due to layoffs and businesses closing across the state almost daily, it is hard to believe that some of the costly and burdensome proposals that remain on the table would seriously be considered if the legislature returns to finish its remaining work.

It is hard to assimilate all that has happened in our state and nation in the past several months. It is even harder to imagine where we might be in another month, or even a week. We share your anxiety in coping with all the unknowns in our personal lives and with our businesses. However, if or when the legislature returns, the Maine State Chamber will be advocating on the third floor of the Statehouse, probably virtually, for the defeat of any of the more harmful remaining bills. We will also need you to continue to be engaged through email or phone calls to urge legislators to reject these proposals.

The Maine State Chamber is open for business. Whether we are working from the office or remotely, we are here for you and will remain so. You should know that we have faced challenges before, and the Chamber has come out better because of it. Our team is up to the task. While we may call on your help, we remain committed to being the "Voice of Maine Business" in Augusta now more than ever. For questions or additional information, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org.

Changes to overtime standard left in limbo

Final bill faced bi-partisan opposition in committee

A highly controversial proposal to change the threshold that divides salaried and hourly employees in Maine also divided the Joint Standing Committee on Labor in the closing days of the legislative session. Sponsored by Rep. Ryan Tipping (D-Orono), LD 402, An Act to Restore Overtime Protections to Maine Workers, split the committee three ways - with all five Republicans and the Democrat Senate Chair in opposition, the five other Democrats supporting one "ought to pass" report, and one lone Democrat supporting yet a second, different "ought to pass" report. Before the bill could be debated by the full legislature, the pandemic forced its early adjournment, and the bill remains unfinished until legislators return for a special session.

LD 402 originated during the first session of the 129th Legislature, had a public hearing, and was then carried over to this year's second session. As drafted, the bill would annually raise the minimum salary that an employee who works in an executive, administrative, or professional capacity must earn in order for that employee to be exempt from the laws governing the minimum wage and overtime pay. The bill proposed to increase the salary level from the current \$33,000 to \$40,408 by 2020, and again to \$47,861 by 2021, and finally again to \$55,224 by 2022. In addition, after the 2022 increase, the amount would be adjusted each year by changes in the percentage annual increase in certain earnings as published by the United States Department of Labor's Bureau of Labor Statistics.

Unlike many other states, the salary threshold that divides Maine's salaried and hourly employees has increased. That threshold is tied to any increase in the state's minimum wage - "3,000 times" the state's minimum wage, to be precise. Mandated by a citizen's initiative passed in November 2016, the past three minimum wage increases have therefore increased the salary threshold to \$33,000. This year, even without any additional legislative action, the threshold increased to \$36,000.

In the closing years of his administration, President Barack Obama instructed the U.S. Department of Labor to undertake rulemaking that would increase at the federal level the salary test portion that determines exempt versus non-exempt employees. At that time, the \$23,660 salary threshold had remained unchanged since its adoption under the Bush administration. After more than a year of work and the submission of hundreds of thousands of comments by employers and other interested parties, the final rules were released in 2016. The salary threshold was increased to \$47,456, or \$913 a week. In addition, the rule called for indexing the threshold every three years, tied to changes in the Consumer Price Index (CPI).

The rule was challenged in federal court and the Eastern District of Texas later invalidated this regulation on the basis that the \$47,456 annual salary (\$913 per week) was so high as to render the duties tests for exemption irrelevant. The court's ruling left the 2004 annual salary threshold of \$23,660 (\$455/week) in place nationally. Furthermore, the court ruled that the salary test was increased so much as to supplant the duties portion of the test; the new salary test would render non-exempt employees who should be exempt due to the duties they perform, thereby making the regulation contrary to Congressional intent and rendering it invalid.

The Trump administration began working on a new rule for this issue shortly after taking office. He too proposed increasing the salary threshold but do so in a way that kept a balance between the two separate tests. In December 2019, that rule was adopted, pushing the federal salary threshold to \$35,568, or \$684 per week. Therefore, Maine's salary threshold is *already higher now* than the federal standard and will continue to increase each year with CPI adjusted increases in Maine's minimum wage.

As was with the case with the Obama administration's proposed rule, LD 402 would create havoc in the Maine work-

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Environment and Natural Resources committee spent many hours on packaging legislation —

— LD 2104 was ultimately carried over to a potential special session

The Joint Standing Committee on Environment and Natural Resources spent many hours working on **LD 2104**, *An Act To Support and Increase the Recycling of Packaging*, that would create a first in the nation extended producer responsibility framework for the State of Maine. The bill was one of the many bills not dealt with and carried over to a special session if one is held. Regardless the legislation is still very concerning to the Maine State Chamber, and this topic will be back whether in a special session or in 2021.

A summary of the bill's status at early adjournment due to COVID-19 can be found online at www.mainelegislature.org/legis/bills/bills_129th/billtexts/HP150001.asp. On Thursday, March 5, Sen. Everett Brownie Carson (D-Cumberland) presented an amendment that significantly altered the original proposal. The amendment proposes the following changes to the original legislation:

- 1 It would amend the definition of "municipality" to include refuse disposal districts and regional associations.
- It would amend the definition of "producer" to remove inclusion of persons that sell, offer for sale or distribute for sale in the State products in or using packaging material and that elect to fulfill the responsibilities of a producers. It also excludes from that definition nonprofit organization exempt from taxation under the United States Internal Revenue Code, Section 501(c)(3).
- It would amend the definition of "toxicity" to include reference to intentionally introduced chemicals regulated pursuant to the Maine Revised Statutes, Title 32, chapter 26-A.

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Packaging Legislation... (Continued from Page 3...)

- It would delete the definition of "packaging stewardship plan" and makes a number of changes to the bill to remove the requirement that a stewardship organization contracted by the Department of Environmental Protection to operate the packaging stewardship program submit a program plan for approval. Instead, the amendment requires the department to adopt major substantive rules for the implementation, administration, and enforcement of the packaging stewardship law, which will set the operational and other requirements for the packaging stewardship program. Those rules must be adopted prior the issuance by the department of a request for proposals for the operation of the packaging stewardship program by a stewardship organization. The amendment provides that such rulemaking must be initiated by December 31, 2021 and sets forth the scope and requirements of that rulemaking.
- 5 It would remove from the bill the specific methods by which the stewardship organization is to calculate producer payments and participating municipality reimbursements, instead leaving the determination of such methods to department rulemaking.
- 6 It would amend the bill in several places to require the stewardship organization to consider input from producers and municipalities in the development and operation of certain aspects of the packaging stewardship program.
 - It would provide that prohibitions on the sale of products of producers not in compliance with the requirements of the packaging stewardship law take effect one calendar year following the effective date of the contract between the stewardship organization and the department. It also provides that producers are required to begin making payments to the stewardship organization 180 calendar days following the effective date of that same contract.
- It would provide that, to be eligible for reimbursement of costs as a participating municipality, a municipality is required to submit certain informa-

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Your Membership Matters!

As you read this *Final Summary*, the value of the Maine State Chamber's Advocacy team should become very clear to you. The sheer number and complexity of legislation impacting Maine businesses in this session was staggering, and the potential to do harm to our business environment was very strong.

Our Advocacy team was at the Statehouse every day this session to monitor and influence legislation to guard against policies that are harmful to our business environment or to ensure a favorable outcome for Maine business.

As a member organization, YOU are at the heart of our efforts. Through your membership dues, you provide the financial resources necessary to maintain the state's largest business advocacy presence at the state capitol. And the positions we take on issues are informed by and formulated with your participation.

The Maine State Chamber appreciates YOU as a member!

It goes without saying that there is strength in numbers and the higher the number, the louder and stronger "The Voice of Maine Business" is. If you are aware of someone or some organization that would benefit from a membership with the Maine State Chamber of Commerce, please put them in contact with Mark Ellis at (207) 623-4568 or at mellis@mainechamber.org. \Box

Overtime Standards... (Continued from Page 3...)

places. At \$56,000 or more, managers who are currently considered salaried could lose this status unless employers somehow found the financial wherewithal to increase their compensation – in many cases substantially. Workers who found themselves listed as hourly employees could be forced to turn in all phones, tablets, laptops, etc., to ensure that afterhours compensable work did not take place. Maine's entire economy would be negatively impacted.

What is more, Maine would be an outlier when it comes to the differential between what constitutes a salaried versus hourly employee. Nearly all states use the current federal designation, and only a handful of other states have adopted a different, more stringent standard. Maine already is one of those states, but LD 402 would put us far outside the norm – *significantly* increasing the cost of doing business here and further hurting our businesses' ability to compete and grow.

As indicated previously, during the committee's brief work session on the bill, the bill's sponsor offered an amendment to the bill that adjusted the multiplier in Maine law, rather than an actual monetary adjustment. Regardless, the threshold was still pushed beyond \$50,000 by 2024 and failed to consider the changes to Maine's minimum wage as adjusted annually by the urban CPI. Interestingly, the amendment language was not shared with stakeholders in the audience.

The proposed amendment failed to garner a majority vote from the committee, nor did the "ought not to pass" motion by Republicans, although they were joined in their opposition to any changes by the Senate chair, Sen. Shenna Bellows (D-Kennebec). Whether any of the three resulting reports are debated this session remains unknown. It is highly likely that, as a policy issue, the proposal will be revisited in the next session, regardless of debate this year. For more information, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing at pgore@mainechamber.org. \square

Governor Mill's health care reform bill becomes law

Proposal focuses on lowering cost for small businesses

Governor Janet Mill's signature bill, LD 2007, An Act To Enact the Made for Maine Health Coverage Act and Improve Health Choices in Maine, designed to lower the cost of health insurance for Maine small businesses, became law in the closing days of the 129th Legislature.

Sponsored by Speaker of the House Sara Gideon (D-Freeport) and co-sponsored by Senate President Troy Jackson (D-Aroostook), the bill received a long public hearing in early February – with some proponents, very few opponents, and a predominant number of witnesses, including the Maine State Chamber of Commerce, who took a neutral position on the bill.

As drafted, and eventually enacted, the bill:

- Requires health plans to cover the first primary care visit and behavioral health visit each year for free – with no deductible and no out-ofpocket costs, making some of the most common health care visits less costly. Additionally, under the bill, the second and third primary care and behavioral health visits could have a co-pay, but the deductibles would not apply;
- Proposes in a key section of the bill the merging of the small group and individual markets in Maine, creating a combined, larger pool of enrollees – one that supporters say will be more stable, and therefore, may help mitigate premium increases. Insurers would then be able to determine premiums based on this larger pool and offer the same plans to both individuals and small businesses, thereby helping small businesses to get a handle on health care costs;
- Extends reinsurance for the first time to small businesses, funded by the federal government and current fees in Maine Guaranteed Access

Reinsurance Association (MGARA), the quasi-state agency that administers, and funds the reinsurance program for the individual market. It would also administer the extended reinsurance for the small group market once merged. In the bill's single cost control measure, it would allow insurance companies leverage to negotiate prices with health providers by limiting the amount the program pays for reinsurance for certain high-priced services to no more than twice what Medicare pays for certain high-priced services (200%);

- Creates a state-based Marketplace run by the State of Maine and starting in the fall of 2020, using the federal website, HealthCare.gov, and related services. Maine would conduct its own education, in-person consumer assistance, and outreach on coverage;
- Transitions from HealthCare.gov to a fully state-run system operating its own website and call center *if* an evaluation of benefits and feasibility of doing so show that this is the best path forward for Maine; and,
- Indicates that funding for the Marketplace would come from existing user fees on insurance companies, no higher than what the insurance companies pay now.

In testimony before the committee, Maine State Chamber's Executive Vice President, Peter Gore, indicated that the Chamber was appreciative of the Governor's attempt to address one the of the longest-standing business challenges – the cost of health insurance – for any small employer operating in Maine. While Gore indicated that the Maine State Chamber was supportive of the change in

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Tax policy issues remain undecided as session adjourns due to pandemic ————

In the area of taxation policy, lots of contentious legislation was carried over from the First Regular Session (2019) and remains on the table for consideration during any special session. Included in this list is tax legislation that threatens to impose local option sales taxes, increased taxes on Maine estates, required disclosure of confidential information by businesses, and a whole host of other issues that are still undecided.

In addition, the Office of Program Evaluation and Government Accountability (OPEGA) issued reports on several economic development programs, such as the Business Equipment Tax Reimbursement Program (BETR), the Business Equipment Tax Exemption (BETE), and the Maine Capital Investment Credit. Severely impacting future investments, the reports were less than favorable and will potentially leave these programs at risk. Critical to the viability of Maine companies, such programs have made Maine's economy healthy and have created and retained important Maine jobs.

The Taxation committee was supposed to review these reports after the Government Oversight Committee. However, time fell short, and this did not happen as planned. This all comes at a time when Maine needs to focus on rebuilding the economy during this pandemic and cannot afford to lose investment or jobs.

This coming year will prove to be very challenging as the Legislature navigates the "new norm" and has to undoubtedly deal with a huge revenue shortfall related to predicted decreases in sales taxes, income taxes, gas taxes, and the like.

If the Legislature reconvenes, the Maine State Chamber is ready to address these issues if any of them resurface during a special session. If you have any questions, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. □

Packaging Legislation... (Continued from Page 4...)

tion to the stewardship organization and must provide for the collection and recycling of types of packaging material that are generated in the municipality and that are readily recyclable.

- 9 It would clarify the order of priority to be used by the stewardship organization in expending funds from the packaging stewardship fund, which includes the establishment of a reserve account to ensure full reimbursements to participating municipalities in future years.
- 10 It would provide that the department determination of the types of packaging that are to be considered readily recyclable must include a transitional period between the time that a type of packaging material is determined to be readily recyclable and the time that such a determination will be effective for the purposes of determining producer payments and municipal reimbursements.
- 11 It would provide an alternative method, to be specified in department rule, for a producer to report required information to the stewardship organization in the event that a producer fails to obtain sufficient information regarding the characteristics of the packaging material it sells, offers for sale or distributes for sale in the State.
- 12 It would amend the small producer exemption to increase the gross revenue threshold from \$1,000,000 to \$2,000,000; to remove the exemption based on a producer conducting all sales in the State at a single point of retail sale; and, to include an exemption for a producer that employs in total 10 or fewer employees.

Even with the changes that were proposed in Sen. Carson's amendment, the Maine State Chamber does not believe that the State of Maine is ready for this legislation. When the legislature returns, this bill will have to be viewed through a different prism due to the economic uncertainties ahead. If you have any questions, please contact Ben Gilman by calling (207) 623-4568, ext. 111, or by emailing bgilman@mainechamber.org.

Health Care Reform...

the Marketplace moving to a state-based exchange, too much remained unknown at this point in the discussion to be able to support or oppose the rest of the bill.

While acknowledging that the intent of the bill was to lower costs, without actuarial information regarding the merging of the individual and small group markets, it is impossible to know whether the proposal would help or hurt small businesses. Furthermore, Gore indicated, it was likely that there would be winners and losers should such a merging occur. Knowing how this played out in both markets would be critical before any final decisions could be made.

In addition, the keystone to the entire proposal – extending the scope of the existing reinsurance fund from the individual market to include the small group (business) market – is dependent on procuring what is known as "Section 1332 Waiver" monies from the federal government. This is extremely important – not only for the success of the proposal and the individuals and employers affected by the fund, but also for large employers who are not.

Currently, the MGARA is funded by an assessment of \$4 per member per month on all ratepayer premiums. So not only are individuals currently charged the assessment, but businesses in the small. large, and self-insured groups (through their third-party administrators) are as well. The bill does not call for an extended assessment, but in his testimony, Gore expressed this concern for many large employers - What will be the result if the "1332 Waiver" monies come in at a lower-than-expected amount, or not at all, or if the reinsurance mechanism funding is overall inadequate to meet the needs of adding the small group market? Despite not being able to access or benefit from the MGARA reinsurance, larger employers are still required to pay the assessment to fund the program. This results in millions of dollars in costs, in some cases, all while some of these larger employers are struggling to control and pay for their own higher health insurance.

(Continued from Page 5...)

During the work session, the committee attempted to reduce concerns regarding the merging of the two markets with an actuarial report conducted by Gorman Actuarial. That report indicated that while costs could be reduced in the individual market by between 4% and 5% by 2024, the reduction for the small group was less – only 2.6% to 1.7%. In both cases, the reinsurance mechanism provided by the additional federal dollars and the MGARA funds would achieve these savings. However, there is not guarantee they would continue over time.

For that reason, the legislature made sure that LD 2007 contains built-in triggers that would cause the bill to stop should costs *increase* due to its passage or if the federal reinsurance monies do not materialize. Despite those safeguards, there is concern among this section of the employer community, that programmatically and politically, it would be difficult to abandon the entire premise should these not materialize down the road. Therefore, it could open those employers up to the possibility of an even higher assessment to fund MGARA. The administration has indicated they would not support such an action; however, the possibility exists.

Despite these concerns, the full committee approved an amended version of the bill unanimously. The bill was passed "under the hammer" in both bodies – meaning without any objection or roll call votes on the last day of the legislative session – and sent to the Governor's desk, where she signed it into law later that same day.

Whether the goals of the bill materialize, and its various pieces fall into place to achieve meaningful savings for small businesses, remain to be seen. The Governor and Legislature are to be commended for their work in addressing what has been a long-standing issue for many small businesses and their employees in Maine. For questions or additional information, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org.

Bill limiting non-disclosure agreements awaits debate —

Governor Mills said to have concerns with final version

In the final days leading up to the pandemic-related abrupt end to the Second Session of the 129th Legislature, the Joint Standing Committee on Labor and Housing approved along party lines a bill designed to limit the use and enforcement of "non-disclosure agreements" (NDAs) for both hiring purposes and in the settlement of discrimination claims. The net effect of the bill, should it become law, would be to end the use and efficacy of NDAs in Maine.

LD 1529, An Act Concerning Nondisclosure Agreements in Employment, sponsored by Rep. Thom Harnett (D-Gardiner), was heard in committee in 2019 and carried over for final committee action this year. The bill actually passed in both the House and Senate, but when the bill arrived on the Governor Mills' desk, she had it recalled. The bill was subsequently sent back to the Labor and Housing committee.

As originally drafted, the bill would have significantly restricted the right of an employer to use NDAs, both with prospective employees at time of hire or in cases where settlements for discrimination claims contained an NDA, unless the aggrieved party agreed to the NDA as part of the settlement. However even in those cases, the bill went on to render most NDAs as unenforceable, because they could not limit a victim's right to report and provide testimony or statements to the Maine Human Rights Commission or the Maine Department of Labor.

At the committee's work session in early March, the bill's sponsor offered an amendment that is only slightly different than the original – and equally problematic for employers. The amended version would prohibit an employer from requiring any new hire enter into a non-disclosure agreement as a condition of employment. As a matter of practice, the Maine State Chamber is not aware this is an issue in the Maine workplace, and certainly not one for the average worker.

Furthermore, under the amended version of the bill, an employer cannot require an employee to enter into any type of severance or settlement agreement that would prohibit or limit that employee's right to *report* allegations of discrimination to a state agency or other enforcement body. According to both the bill's sponsor and the committee co-chair, Governor Mills expressed concern over this part of the bill. When questioned by Sen. Stacey Guerin (R-Penobscot), Rep. Harnett indicated that he and other bill supporters did not reach agreement with the administration on this part of the bill.

This is an important change to Maine law. While an individual cannot be denied the right to testify by any agreement or be subpoenaed with respect to allegations of discrimination, reporting such allegations are usually part of any NDA agreement.

What's more, under the proposed language, an NDA can only be used if it is requested by the employee. In any discrimination settlement negotiations, the employer would not be able to make such a request as part of the settlement. In addition, even if the employee requested an NDA, it must specifically state that the employee retains the right to report, testify, or provide evidence in any federal or state proceeding that might involve the company or individual.

The net effect of the bill is to make NDAs meaningless, even if entered into by both parties. While some might hail this as something positive, NDAs have a role in protecting not only the privacy of the business, but also the privacy of the victim of discrimination as well. If a business cannot rely on an agreed upon NDA as part of a settlement, then why settle any claim? In addition, the employer cannot even put the idea of an NDA as a settlement tool on the table, placing them at a disadvantage when it comes to trying to settle a claim. LD 1529 sets up an unlev-

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LD 1646's "public power" legislation is held to carry-over session

Maine's business community continues to have concerns with the proposed legislation

The Maine State Chamber of Commerce still has deep concerns regarding LD 1646, An Act To Restore Local Ownership and Control of Maine's Power Delivery Systems. The bill would direct the State of Maine to take over Central Maine Power Company and Versant Power, create a new quasi-State agency called the Maine Power Development Authority, and hire a private company to operate the State's electric grid. The Maine State Chamber, on behalf of its membership, strongly opposed this proposal last year.

This year, our concerns have only grown stronger given the February 2020 report issued by the Maine Public Utilities Commission (PUC) regarding the expected costs of "public power." This report shows that, using reasonable estimates of acquisition costs and long-term borrowing, public power will actually cost more in the long run, without any guarantee of improved service or local control.

The fact is, when the State oversees critical infrastructure, it does the best it can with limited resources, but it generally struggles to keep up with needs. Just look at our roads and bridges. We all know they need investment, but our political process gets in the way of adequate funding, and every day, the potholes grow. Politicizing our electric system creates a similar risk of disinvestment, which could lead to more and longer outages and delay necessary grid modernization, all because political leaders in Augusta cannot agree on whether to make necessary investments.

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Paid FMLA study bill fails to advance before "sine die," despite approval from majority of Labor committee

According to the Legislature's website, as of March 17, **LD 1410**, *An Act To Create Paid Family and Medical Leave Benefits*, was carried over in the same posture to any special session of the 129th Legislature pursuant to Joint Order SP 788. Democrats on the Joint Standing Committee on Labor and Housing had given their approval to a proposal that would set up a stakeholder taskforce to study the feasibility of implementing a paid family medical leave program in Maine.

Appearing to be approved along party lines, with Republicans on the committee opposing and Democrats approving, the committee amended LD 1410, sponsored by Speaker Sara Gideon (D-Freeport), from a full-fledged proposal to fund and implement such a program, to a study group with report back requirements of January 2022. Submitted last session (2019), LD 1410 proposed to establish a new state agency, not unlike

the current Unemployment Insurance Division within the Maine Department of Labor, for the purposes of administering a paid FMLA program. The details of the proposal include providing up to 12 weeks of maternity or paternity leave, and up to 20 weeks of leave for a serious health condition - either your own or that of a broadly-defined "family member." The funds used to provide the leave are the result of a new 0.75% payroll tax on all employees in Maine. It was not clear if the intent is to include LLC and S-corps as "employees" for the purposes of taxation; however, we interpreted it as applying to these entities as well.

The Maine State Chamber opposed the initial proposal, along with several other business associations. While the Maine State Chamber's concerns were numerous, one of the more overarching issues was the lack of any actuarial study on the soundness of the program as defined in the bill. Specifically, an extensive actuarial study to ensure it is properly financed and will remain fiscally solvent into the future.

While only a few states have elected to institute paid FMLA, a number of those that have used an existing State short- or long-term disability insurance program to do so. Maine does not have such a program; we would be starting from scratch. In no other universe should this legislature or state government, authorize the startup of a short- or long-term disability insurance company without ensuring its long-term viability.

As amended, the bill will set up a stakeholder group or commission composed of 11 members and appointed by the Governor, Speaker of the House, and President of the Senate. The commission consists of legislators from both bodies and both parties, representatives from the

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Non-Disclosure... (Continued from Page 7...)

el playing field when it comes to settling discrimination cases of any kind. There will be little, if any, rush to reach settlements, resulting in higher legal costs, and ultimately, in a higher cost of doing business in Maine compared to other states.

The Maine State Chamber opposed this bill, as drafted last session, and we remain firmly opposed to the amended version approved by a partisan majority of the Labor committee. Like other bills in legislative limbo, LD 1529 did not advance out of committee before the legislature went home due to the coronavirus shutdown. If legislators for a special session, it is possible they could choose to take up the bill. If not, it is likely the concept will return in a future session. For additional information or questions, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org.

Public Power...

(Continued from Page 7...)

Maine also needs private investment if we want to grow. Yet, LD 1646 sends the opposite message by proposing a state takeover of two private companies by eminent domain. If this bill were to pass, it would loudly proclaim that Maine is a hostile, risky place for outside investment. The fact is, there are many wonderful Maine companies who are not locally owned, and foreign investment has re-invigorated paper mills and communities in all corners of our state. Maine cannot afford to reject private capital flowing into our state.

Private ownership also means stable ownership. By contrast, State ownership of the electric grid means ever-changing policies depending on who sits in the Blaine House. Governors who support carbon reduction goals will appoint likeminded directors, and governors with dif-

ferent priorities will appoint a different set of directors. Such volatility will make it difficult for the State to sustain any particular investment strategy in our electric grid, and it make it harder for Maine electric consumers to plan long-term investments in Maine.

When the legislature reconvenes for a special session or next year, the Maine Legislature will likely be debating this critically important issue again. As it does so, we urge caution. On the surface, the concept of "public power" has appeal, but below the surface, one finds a heavy price tag, greater volatility, and strong public pressure to defer maintenance in order to keep rates down. If you have any questions regarding LD 1646, please contact Ben Gilman by calling (207) 623-4568, ext. 111, or by emailing bgilman@mainechamber.org. \square

Taxation committee votes along party lines to pass tax haven bill, which if passed, would increase taxes on manufacturers exporting overseas

LD 403, *An Act to Prevent Tax Haven Abuse*, has been carried over to any special session after the Joint Standing Committee on Taxation voted "ought to pass as amended" along party lines (7-4). The Maine State Chamber testified in opposition to the bill, which was sponsored by the tax committee cochair, Rep. Ryan Tipping (D-Orono).

As amended by the committee, the bill would strip out the Foreign Derived Intangible Income (FDII) deduction. This would result in an *income tax increase* on Maine's manufacturers that export outside the United States. FDII is one of two provisions enacted by Congress in the Tax Cuts and Jobs Act legislation from 2017. The act was intended to update the nation's tax policies to make the taxation system competitive with the rest of the world and to also incentivize companies to make investments within the United States. Among its most notable provisions intended to make the United States a competitive place for investment was the alignment of the U.S. corporate tax rate with the average tax rate of the world's 30 largest economies.

Less noted by the public due its complexity, but equally important, were provisions within the law that intended to increase incentives for U.S. investment using a "carrot and a stick" approach. The FDII and the Global Intangible Low Taxed Income (GILTI) are intended to work hand-in-glove with one another and are connected to the income that is generated on sales to customers located outside the United States.

FDII – the "carrot" in this scenario – benefits companies located in the United States where income is recognized on their U.S. tax return that is the resultant of a non-U.S. sale. The greater the income subject to U.S. taxation, the greater the FDII benefit. And, because more income is recognized in the U.S. if manufacturing and R&D occurs within the country, the provision encourages U.S. investment in these activities.

GILTI – the proverbial "stick" – harms companies that make that same international sale, if they recognize that income occurs outside the U.S. Prior to this tax reform, this income would not have been taxable in the U.S., unless the cash portion of those profits were actually repatriated to the U.S., which rarely happened. With GILTI, the U.S. imposes immediate taxation on those international profits, which are generated by having the manufacturing and R&D occur outside the U.S., regardless of whether the income is repatriated.

Because these two calculations and provisions have closely intertwined policy goals, both were included as part of the *federal* provision, and according to the Council on State Taxation (COST), the majority of states that have adopted GILTI, have also adopted FDII.

LD 403 remains carried over to any special session. If you have any questions, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. \square

Paid FMLA... (Continued from Page 8...)

large and small business communities, organized labor, elder care, and maternity care. The committee is charged with looking at what other states have done in this area with respect to equity, funding, state partnerships and consortiums, education and outreach, technology needs, oversight and structure of the program, and the interaction of state government and private employers participating in the program.

After doing so, committee members are to develop a paid FMLA proposal, as well as contract for an actuarial study that is tasked with looking at start-up costs, ongoing costs, the economic impact of the program on our state, and the contribution levels needed to maintain the solvency of the program.

While taking the time to find out the actual costs associated with implementing such a program – before putting it in place – is a step in the right direction, the problems with a paid FMLA program are more acute than just financing and operational issues. The impact on the workplace would and could be significant.

If finally implemented, LD 1410 will create a new, employee-funded entitlement program for the purposes of providing paid FMLA leave. Employers have expressed concern that, if the leave continues to be funded through a *mandatory tax* versus a voluntary opt-in tax on all Maine workers, employees will rightfully feel entitled to access leave for which they have paid. Obviously, this means higher utilization, creating greater absenteeism. Absenteeism in the workplace is a very real problem today, both because of workforce shortages and call outs.

The work of the business must continue in their absence – regardless of the fact that an employee is out on leave, whether paid or unpaid. Services must continue to be provided; products manufactured; and, deliverables pushed out the door. That means finding a replacement, if available, for the absent employee. If replacements cannot be found, the work is transferred to another worker. Businesses report that this is a less-than-ideal solution, as the increased workload results in resentment within the workplace.

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Taxation committee voted on two local option tax bills

Last session, local option tax bill was rejected by Senate, but passed in House

One of the more divisive tax issues carried over from the First Regular Session dealt with allowing municipalities the authority to impose local option sales taxes at the municipal level. Last session, LD 1254, An Act to Authorize a Local Option Sales Tax on Meals and Lodging and Provide Funding to Treat Opioid Use Disorder, sponsored by Rep. Michael Sylvester (D-Portland) made it to the floor for debate and remained a political football between the House and Senate. It could not garner the votes in the Senate to pass, and it was ultimately recommitted

Paid FMLA... (Continued from Page 9...)

In addition, the program could place reporting and tracking requirements regarding leave, payroll deductions, and calculations on every business of every size in the state. In many cases, businesses with fewer than 15 employees operating here have never dealt with FLMA leave before, because they have not had to do so. LD 1410 could possibly change that. Most of Maine's small employers have less than 15 employees, and many, if not most, lack an HR department to help them administer this program properly should it reach fruition.

Like hundreds of other legislative proposals caught up in the closing days of the legislative session, LD 1410 did not make it out of the Labor committee. Instead, the bill awaits a special session, should one occur later this year. If not, this version of a paid leave program would be defeated, but would almost certainly return in another session, even as early as 2021.

For additional information or questions regarding FMLA, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org. \square

to the Taxation committee in the closing days of the 2019 session. The other bill, LD 609, An Act to Provide Municipalities Additional Sales Tax Revenue from Lodging Sales, sponsored by Rep. Maureen Terry (D-Gorham) was never reported out of committee last session.

This session, the committee worked both bills again, and they remain carried over to any special session the legislature might have if it returns.

LD 609 would propose to increase the lodging tax by 1% and would return incremental revenues generated, minus administrative costs for Maine Revenue Services, to the generating municipality.

As originally drafted, LD 1254 would have allowed a municipality to impose a year-round or seasonal local option sales tax, if approved by municipal referendum, of no more than 1% on prepared food and short-term lodging. A total of 85% of revenue generated would have been distributed back to the generating municipality and 15% would have been distributed to all other municipalities around the state. The money would have to be used for preventing and treating opioid use. The bill was amended to change the distribution formula to 75% back to the generating municipality and 25% to the Maine Rural Development Fund. That amendment was the same one proposed last session.

The Maine State Chamber has longopposed local option sales taxes for a variety of reasons, all of which were outlined in the testimony on these bills. Those concerns are:

Enacting a local option sales tax increases the total tax burden in the state: This bill would have added another layer of sales tax to items purchased in municipalities in which it had been enacted. While local option taxes are another way to raise revenue for municipalities, they in no

- way assure that taxes would later be reduced at the local level.
- Local option sales taxes hurt small brick-and-mortar businesses: Many citizens buy local to support their neighbors - owners of small brickand-mortar businesses in their municipalities. Local businesses located in one locale compete with local businesses in another. Businesses located in towns that enact a local option sales tax will be at a competitive disadvantage with businesses in municipalities that do not enact a local option sales tax. This will position one community against another. Local brick-and-mortar retail businesses will never be able to compete in that high-taxed environment. The tax will impact their bottom line, and they may be unable to pass the expense on to the consumer. Ultimately, they will lose sales to neighboring towns that do not have local option sales tax.
- Local option sales taxes impact local economic development efforts: Municipalities around the state work hard to try to attract businesses to their locales; many hire economic development directors to do just that. This will do nothing to attract businesses, but instead, would discourage businesses from locating in towns that have additional taxes. This bill will make towns that impose sales taxes less attractive. Once local option taxes are in place, they would be virtually impossible to remove because that municipality would become dependent on the revenue.

If you have any questions, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. □

Legislature hears proposal that would prohibit companies with overseas headquarters to participate in referendums

If enacted, LD 2136 would have impacted hundreds of Maine companies

On behalf of the Maine State Chamber of Commerce, Gerald F. Petruccelli from Petruccelli, Martin & Haddow in Portland testified on March 11 before the Veterans and Legal Affairs committee. There are hundreds of businesses who operate in Maine and have headquarters outside of the United States. A listing of those businesses that was obtained from the Maine International Trade Center was provided to the committee. Below are the concerns regarding LD 2136 that were delivered to the committee during the public hearing. Ultimately, due to the early adjournment of the session caused by the COVID-19 pandemic, the bill was carried over to "when and if" the legislature reconvenes this year.

Introduction...

The bill explicitly seeks to prohibit political speech concerning a referendum question. It is the settled constitutional jurisprudence that prohibitions or restrictions on political speech, if constitutional at all, may be justified only under a standard of strict scrutiny demonstrating that the legislation is narrowly tailored to protect or advance a compelling State interest. It is therefore essential to identify the problem to be solved and to devise a solution that achieves the objective with minimal harm to constitutionally guaranteed liberty.

Supreme Court decisions and opinions of the Federal Election Commission have wrestled with these kinds of issues under existing federal law. This legislation is not content to incorporate the existing federal definitions and reinforce existing federal prohibitions. This bill substantially expands the definition of foreign national to sweep within it an American company chartered by an American state doing business only in the United States, if a true foreign national is indirectly the beneficial owner of 51% of

the equity interest in the company. The mathematical consequence of this overbroad definition is that the 49% equity ownership in American hands is barred from participating in a referendum election that may substantially adversely affect the fortunes of the company. This is the antithesis of narrow tailoring, even assuming that the bill is in the service of a compelling state interest.

Nor is this legislation in any fair sense of the term an emergency. Failure to enact this legislation would not imperil the public peace, the public health, or the public safety. It would simply leave in place the rules governing initiated referendum elections.

Analysis...

There is already an abundance of state law governing the referendum election process and, if any additional legislation restricting the participation by foreign owners of Maine businesses is both constitutional and prudent, the legislature would be wise to stop at the federal definition of foreign national and not expand it to any enterprise in which the ultimate indirect beneficial ownership is 51% foreign held.

The bill would prevent a "foreign national" or a legal entity in which the foreign national holds/controls 50% or more of the total equity from contributing – directly or indirectly – to influence a referendum. Federal election law already prohibits contributions made by foreign nationals, but this legislation goes further to bar local companies that are majority owned by foreign parent companies or shareholders from the debate on referendum questions that may affect their ability to conduct business in Maine.

Federal elections law already addresses the importance of protecting the election process and provides suffi-

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cient protection from foreign interference. For example, a foreign entity with a U.S. subsidiary must not interfere with, contribute funds to, or direct the political efforts/speech of its U.S. subsidiary. See, e.g., 22 U.S.C. § 611(c); 11 CFR §110.4. Subsidiaries that are separately incorporated are considered separate legal entities for purposes of analyzing campaign contributions. So long as the entity establishes a separately segregated fund (SSF) into which no foreign money is contributed and no direction from a foreign entity is received, a local corporation can and should be allowed to participate in the legislative process, including initiated legislative proposals, through issue advocacy.

Federal law does not talk about ownership percentages when determining if an entity is a foreign principal. It looks at where the principal place of business is located and where the organization was created. *See, id. See also,* FEC AO 1985-3 ("Under 22 U.S.C. 611(b), a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal and, accordingly would not be a 'foreign national' under 2 U.S.C. 441e.")

Because that definition was enacted by Congress, the default interpretation of the word "person" includes "corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals..." 1 U.S.C. § 1.

In addition to the new and overbroad characterization of what constitutes a foreign national for purposes of this legislation, it ought not to go unnoticed that this legislation alone singularly sets itself apart from the general provisions of 21-A M.R.S.A. § 1004. The maximum fine under § 1004 is \$10,000. The maximum fine in this legislation is \$100,000. Perhaps this singular sanction is intended to constitute evidence of narrow tailoring but conversely it sends the message that a political contribution by a company doing business in Maine that is 49% owned by Americans

is ten times as bad as any other campaign violation within the general applicability of § 1004. As yet, there appears to be no evidence in any legislative record to support that legislative judgment.

The Constitutional Issues...

"Congress shall make no law ... abridging the freedom of speech, [or]... to petition the Government for a redress of grievances." Amend. I, U.S. Const. See also Art. I, § 4, Maine Const.

Freedom of speech is a bedrock principle of our democracy. It is protected by the Supreme Court's application of a strict scrutiny analysis when reviewing laws that attempt to curtail that speech. That analytical framework requires that the government "prove that the restriction furthers a compelling interest and is narrowly tailored to achieve that interest." Sindicato Puertorriqueno de Trabajadores v. Burset, No. 12-1531 (PG), 2012 U.S. Dist. LEXIS 141024, at *15 (D.P.R. Sep. 27, 2012)(citing Citizens United v. Federal Election Comm'n, 558 U.S. 310, 130 S.Ct. 876, 898, 175 L.Ed.2d 753 (2010)). See also, NAACP v. Button, 371 U.S. 415, 438 (1963)("[O]nly a compelling state interest in the regulation of a subject within the State's constitutional power to regulate can justify limiting First Amendment freedoms.")

Whether a law attempting to limit speech is narrowly tailored enough to survive strict scrutiny has been the subject of significant litigation. For example, The Supreme Court upheld a Tennessee law that prohibited campaigning within 100 feet of a polling place, because voter intimidation and voter fraud are so "difficult to detect" that creating the buffer zone was necessary to protect another fundamental right, "the right to cast a ballot in an election free from the taint of intimidation and fraud." Burson v. Freeman, 504 U.S. 191 (1992). In contrast, the Supreme Court struck down a similar Massachusetts law that created buffer zones around abortion clinics, in part, because "[o]bstruction of abortion clinics and harassment of patients, by contrast, are anything but subtle" and there existed other, less restrictive options for protecting patients. McCullen v. Coakley, 573 U.S. 464, 496 (2014).

Similarly, the Supreme Court struck down a North Carolina law that sought to regulate the pay and communications of professional fundraisers for non-profit organizations, because "even if the State had a valid interest in protecting charities from their own naivete or economic weakness, the Act would not be narrowly tailored to achieve it" because "more benign and narrowly tailored options are available." Riley v. Nat'l Fed'n of Blind, 487 U.S. 781, 792, 800 (1988). In contrast, the Supreme Court upheld a restriction on judges directly soliciting financial donations because it was narrowly tailored to the purpose of ensuring public trust in the judiciary. Williams-Yulee v. Fla. Bar, 575 U.S. 433 (2015). The Court held that it was narrowly tailored such that it withstood strict scrutiny because though the law "prevented judges from personally soliciting funds, they were still allowed to discuss any topic publicly and could have their campaign committees solicit funds for them."

Although freedom of speech covers a broad range of activities and courts have found that some restrictions are permissible, "[i]ssue advocacy is the classic heart of First Amendment protection and should be burdened as little as possible." Nat'l Org. for Marriage & Am. Principles in Action v. McKee, 765 F. Supp. 2d 38, 46 (D. Me. 2011). And as regulations grow and additional requirements are added, it is possible "to ignore the burdensome effects on the speech of individuals and small organizations." Id. Here, the bill presumably attempts to create a bright line rule, but for dozens of small and mid-size Maine companies who would need to ensure compliance with the rule, the prospect of administrative burdens to track down citizenship information for every shareholder or LLC that is a partial owner of the company would effectively curtail their speech. That deterrent effect in and of itself calls into question the bill's constitutionality and is particularly offensive to First Amendment freedoms because it is aimed at issue advocacy. For example, when reviewing a California law that sought to limit the amount of contributions to a ballot measure committee to ensure only small donations, the Supreme Court

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As originally drafted, LD 1977 would have mandated manufacturers of devices and equipment to provide coding and repair information to uncertified repair shops or individuals

The Maine State Chamber supports policies and priorities that help Maine businesses prosper and our economy flourish to make Maine as competitive as possible. The Chamber opposed **LD 1977**, *An Act To Ensure a Consumer's Right To Repair Certain Electronic Products*. Sponsored by Senator Michael Carpenter (D-Aroostook), the bill would have mandated businesses that manufacture devices and equipment to provide coding and repair information for their products to uncertified repair shops or individuals.

The Maine State Chamber represents many businesses that develop products and services for a wide range of individual consumers and businesses. Consumers rely on these products to operate safely, securely, and accurately, whether they are being used for personal or business use. With today's modern and evolving technology, consumers are more reliant upon technological devices and equipment. It is important to remain conscious about the safety and security of these products.

LD 1977 as drafted did not consider the complexities of the products in question. The manufacturers are certified and have warranties on their products. Allowing anyone who is uncertified to repair products is unfair to certified companies and could pose a safety risk to consumers, especially when individuals purchase third party components for those repairs. By making repair information publicly accessible, consumers are more likely to attempt repairs on their own and to be exposed to risks of injuries and property damage. Additionally, by providing every consumer and non-authorized repair facility with the same information as authorized service providers, without the requisite training and certification, the facility can offer services of sub-standard quality insufficient to maintain the reputational value of the product.

In addition, this legislation created privacy and security concerns. The security of user information on these products is important. Allowing anyone who is not certified or trained to repair products would weaken the privacy and security protections of those products and create risks for consumers.

The Joint Standing Committee on Innovation, Development, Economic Advancement and Business (IDEA) heard opposition from many, and the bill had numerous work sessions before it was amended by the committee. The latest amendment would have made it so that only the screen of a cellular device would have been able to have been repaired by uncertified repair shops. Committee members questioned if this law was already in existence, making this bill unnecessary. Ultimately, the committee was divided on its report, and the Legislature adjourned before acting on LD 1977. The bill is currently carried over into any Special Session.

For more information, please contact Megan Diver by calling (207) 623-4568, ext. 108, or by emailing mdiver@mainechamber.org. \Box

Chamber's amendment to service provider tax bill prevents double taxation ———

On the last day of the session, a department bill sponsored by Rep. Ryan Tipping (D-Orono) – **LD 2011**, *An Act to Update Certain Provisions in the Income Tax and Service Provider Tax Laws* – was tabled in the House and carried over to any special session. Linda Caprara of the Maine State Chamber testified in opposition to the bill because it would impose a new tax on users of streaming services transferred for less than permanent use. The bill was tabled pending adoption of either report, with the majority "ought to pass" report including the language offered on behalf of Maine State Chamber members.

Currently, the State imposes a salesand-use tax on digital products transferred electronically for permanent download. Digital services that are just streamed for temporary use are not currently subject to sale and use tax. This bill would codify different treatment for these two types of transactions: one would be subject to 5.5% sales tax, while the other would be subject to 6% service provider tax.

In addition, as drafted, it is not clear who is taxed. The Maine State Chamber testified that, in the event the committee decides to go forward with the legislation, the bill should be amended to provide a clear definition of the term "digital audio visual" and "digital audio services." The definition clarifies that the tax applies only once to the "end user," not to additional service provider contractual relationships along the way. Maine Revenue Services said they did not object to the amendment. Without this clarification, the bill would provide a lack of transparency of the tax base and result in multiple layers of tax. Again, the amendment would clarify that the tax applies once and would prevent socalled double taxation of the same service.

The committee voted to accept the Maine State Chamber's amendment, and the majority "ought to pass" report included the proposed language. If you have any questions, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. □

Bill to increase corporate income tax is defeated

The Joint Standing Committee on Taxation has defeated LD 903, An Act to Improve Corporate Tax Fairness by Amending the Rates Imposed on Corporate Income. The Maine State Chamber opposed the bill last session.

Sponsored by Rep. Scott Cuddy (D-Winterport), LD 903 would have established two new tax brackets and three new rates for corporate income tax. The bill would have increased the tax on corporate income between \$2 to \$3 million from 8.33% to 8.5% and on corporate income between \$3 to \$3.5 million from 8.33% to 8.75%. In addition, it sought to raise the top rate to 9% from 8.93% on income of \$3.5 million or above. It would have also made Maine one of only seven states in the nation to have corporate income tax rates 9% or above. According to the Tax Foundation, Maine's current top corporate income tax is already higher than the top rate in neighboring New England states of Connecticut, New Hampshire, Vermont, Rhode Island, and Massachusetts.

Linda Caprara testified on behalf of the Maine State Chamber, noting that raising the corporate income tax would make Maine less attractive, less competitive, and would impact future investments here. Paying higher taxes can impact the amount the business owner chooses to reinvest in their businesses in terms of capital and personnel, and failure to reinvest can have a direct impact on growing the economy and job creation.

Caprara added that, according to the Tax Foundation, "Economic evidence suggests that corporate income taxes are the most harmful type of tax and that workers bear a portion of the burden. Reducing the corporate income tax will benefit workers as new investments boost productivity and lead to wage growth."

If you have any questions about tax policy positions, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. □

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struck it down, finding that the law "does not advance a legitimate governmental interest significant enough to justify its infringement of First Amendment rights." *Citizens Against Rent Control/Coalition for Fair Hous. v. Berkeley*, 454 U.S. 290, 299 (1981). That Court found that whatever the state's interest in regulating contributions to a candidate, that there was no similar interest in "curtailing debate and discussion of a ballot measure." *Id.* at 299.

Although Citizens United is a controversial Supreme Court decision, we must analyze the proposed legislation within the framework of that case because it is the controlling law. The Supreme Court explained that "because speech is an essential mechanism of democracy-it is the means to hold officials accountable to the people—political speech must prevail against laws that would suppress it by design or inadvertence." Citizens United v. FEC, 558 U.S. 310, 312 (2010). The Supreme Court noted that the weight of First Amendment protections is strong because it is "[p]remised on mistrust of governmental power," and therefore it "stands against attempts to disfavor certain subjects or viewpoints or to distinguish among different speakers, which may be a means to control content." Id. at 312.

If this proposed legislation were to be enacted, it would very likely draw Maine into litigation. And Maine would very likely lose the argument because it would be committing "a constitutional wrong" by identifying "certain preferred speakers" because there is "no basis for the proposition that, in the political speech context, the Government may impose restrictions on certain disfavored speakers." *Id.* In this case, the "disfavored speakers" are Maine-based businesses with foreign parent companies or shareholders.

Specific Impact on Maine Companies...

Many of Maine's companies – from large to small – have shareholders from other countries. This legislation would have a negative impact on many businesses of every size already in operation within our borders. Additionally, this

type of legislation would serve as a significant deterrent to those businesses that the Chamber and others are working so hard to attract, because what company would want to move operations to Maine if they would be silenced on a ballot question that could significantly and detrimentally impact their ability to maintain profitability here?

The Maine State Chamber of Commerce truly is the voice of Maine business. That is not merely a slogan. The Chamber speaks for approximately 5,000 business enterprises of all sizes and shapes in every corner of the State on issues important to business generally. The Chamber has also been diligently working to improve Maine's business climate to make Maine a more attractive place for foreign investors to generate new economic activity for the benefit of all of Maine's people. Very few things are more harmful to any business development strategy than instability, unpredictability, or uncertainty. If a company can diligently comply with all applicable rules from the inception of a project and then be silenced by this law when others seek to defeat their efforts by initiated referendum, a prudent potential investor will be less enthusiastic about the prospect of coming here.

Finally, emergency legislation is rightly limited to "only such measures as are immediately necessary for the preservation of the public peace, health or safety..." Maine Const. Art. IV, Part 3, § 16. The exceptions laid out to the normal legislative timeline are narrowly tailored and are intended for those issues that are clear cut and can be enacted without the necessity of significant research or input from the public. This bill does not appear to fall into any of those categories and is much too complicated a measure to be considered in an emergency legislation context. There are significant and yet-unexplored unintended consequences of the proposed legislation that should caution the Committee against the current course. The Chamber represents business owners at every level of the economic continuum in Maine and, based on the broad impact this could have on our constituents at every one of those levels, the Committee 'ought not to pass' this legislation. □

"Ban the Box" proposal barring employers from asking about criminal convictions on job applications in limbo

Like hundreds of bills stuck in the legislative "coronavirus quagmire," a bill that would prohibit an employer from asking about a prospective employee's past criminal history on a job application remains in public policy limbo, and contingent on a future special session of the 129th Legislature.

In February 2020, the Joint Standing Committee on Labor and Housing held a public hearing on **LD 2087**, *An Act Relating to Fair Chance in Employment*, sponsored by Rep. Rachel Talbot Ross (D-Portland). More than a dozen states have enacted similar laws – the purpose of which is to encourage the hiring of people with a criminal record. Rep. Talbot Ross has had similar, but more disconcerting, proposals in past sessions. This year, she took a more pragmatic approach, limiting her bill just to prohibiting employers from asking about a prospective employee's previous criminal convictions on any written or electronic job application.

As drafted, LD 2087 would allow an employer to ask such questions during the job interview and to conduct criminal background checks. In addition, it *would not* make people with a previous criminal history a protected class for the purposes of hiring. It would also allow an employer to decline to hire the individual for that or any reason, other than those already prohibited under Maine and federal law.

The idea behind the proposal is to give good workers who have rehabilitated themselves and are willing and able to work a chance to get into the interview process without being disqualified just because of their criminal history. Many Maine employers already hire applicants with a previous criminal history, in part because of the acute workforce shortage, and in part because they are willing to take a chance on someone who is working to rebuild their lives for the better. In many cases, Maine State Chamber members have indicated that these hires have worked out for the better for both parties. Supporters of the proposal indicated that, if a prospective hire can at least get through the door, they have the chance to sell themselves and become an asset to the business.

The bill would provide exemptions for employers who operate under any federal or state law or regulation or rule that creates a mandatory or presumptive disqualification based on any conviction, such as banking, finance, or health care.

During the public hearing earlier this session, the Maine State Chamber testified "neither for nor against." Its public policy committee members did not have an issue dropping the question from any job application – as long as they were able to ask the question during an interview and could conduct a criminal background check. Employers also wanted the final decision of hiring any employee to remain in the hands of the employer, allowing them to be the best judge of whether a prospective employee, with a criminal past or not, was the best fit for their workplace.

Just before the pandemic shut down the legislative process, the Labor committee had held a work session with bill's sponsor and other stakeholders. At the work session, the sponsor agreed to several changes the Maine State Chamber had requested regarding some of the provisions in the language. The committee agreed with those changes, and the bill was voted out. The vote was divided along party lines, with Democrats supporting and Republicans opposing. Before the bill could be released from committee, the session was adjourned. Therefore, like many others, the outcome of the bill is unresolved.

If the legislature returns for a special session, it is possible the issue might be taken up again. If not, it is a safe assumption that someone will bring this proposal back for further consideration in a future session. For questions or additional information, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org. \square

Opposed by the Maine Chamber, estate tax bill would create two exclusion amounts ——

LD 420, An Act to Amend the Maine Exclusion Amount in the Estate Tax, sponsored by Rep. Benjamin Collings (D-Portland), resurfaced in the Taxation committee in 2020, after failing to garner enough votes to pass in the House (70-75) and in the Senate (12-19) last session (2019). The bill remains carried over to any special session.

In early March, the Taxation committee voted 5-5 on the "ought-not-to-pass" motion. Because it was a tie, all present committee members agreed to let the absent committee members vote. That final vote had not been entered in the legislative record as of press time.

When the legislature adjourned on March 17, LD 420 had not yet been voted out of committee. The amended version would have returned the exclusion amount from \$5.7 million to \$2 million and would have provided an additional exclusion amount of \$3.8 million specifically for fishing, farming, aquaculture, and wood harvesting businesses. While, this is what was reported the amendment would look like, the actual language was not yet drafted.

The Maine State Chamber opposed LD 420 because it would have lowered the exclusion amount for estate tax purposes. The Maine State Chamber has been on record for increasing the estate tax exclusion amount or eliminating the estate tax altogether. The Maine State Chamber has argued that the estate tax hurts Maine businesses, particularly smaller businesses and farms, that work very hard to pass long assets to their children and grandchildren. Lowering the exclusion amount would take away that opportunity and instead slap them with a massive death tax. If beneficiaries could not pay the taxes due up front, they may be forced to deplete any capital they have in the business or perhaps even need to sell it to pay the tax. Ultimately, it punishes and penalizes success.

If you have any questions, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. □

Significant R&D investment crucial to achieve long-term success

The Joint Standing Committee on Appropriations and Financial Affairs heard **LD 602**, *An Act to Authorize a General Fund Bond Issue to Support Research and Development in Maine*, in early January. Sponsored by Sen. Jim Dill (D-Penobscot), LD 602 would ask voters to borrow \$50 million for biotechnical and biomedical research and forest products research.

The Maine State Chamber testified in support for LD 602 due to the importance of research and development (R&D) investment to Maine's economy and businesses. The Chamber supports policies and priorities that help Maine businesses prosper and our state's economy to flourish, making Maine as competitive as possible. R&D play a vital role in Maine's economic future.

Maine remains reliant on industries that are expected to be stagnant or lose jobs over the next decade. R&D is important to existing companies in Maine and especially important to new Maine companies. R&D is important across many business sectors - manufacturing, biotechnology, software development, engineering, pharmaceuticals, and many more. Today, Maine businesses compete globally. R&D is crucial to any company developing its own product(s) and critical to innovation to help companies bring forth new products and services. It's necessary for companies to stay ahead of the competition at all times and continued R&D investments ensure this is possible. Investments in R&D creates business opportunities, high-wage jobs, and tax revenues through development of new products and improvements in the current

Continued on Page 18...

Early childhood education workforce legislation divided in committee and carried over to special session -

The lack of quality, affordable early childhood care and education in Maine has been an ongoing concern for businesses and organizations whose employees need it. We know that we need to attract and retain more early childhood workers to support these programs. LD 1584, An Act to Attract, Build and Retain an Early Childhood Education Workforce Through Increased Training, Education and Career Pathways, seeks to address this need and the challenges if presents to employees, employers, and families. Sponsored by Assistant House Majority Leader Ryan Fecteau (D-Biddeford), this bill requires the Commissioners of Health and Human Services, Education and the Labor to jointly develop and implement an early childhood educator's workforce support program to recruit and retain early childhood educators working with children up to five years of age.

LD 1584 had its public hearing during the First Regular Session (2019) of the 129th Maine Legislature and was carried over into the Second Regular Session (2020). Components of the program, if passed, include:

- Expansion of educational programs at career and technical education centers, and the financial support of those programs;
- Comprehensive scholarships for people taking classes toward the attainment of an early childhood education credential or an associate or bachelor's degree that allow the persons to graduate without student debt as long as the persons agree to work for a year with an approved employer;
- An increased number of apprenticeships; and,
- Salary supplements awarded to individuals who provide childcare or who are early childhood educators.
 The amount of the supplement is based on the level of education and

experience of the individual and other factors.

Last year, ReadyNation released a national report that sheds light on our nation's childcare crisis. The report shows that inadequate access to affordable, quality childcare for infants and toddlers is costing our economy billions of dollars each year. Business leaders recognize that this lost productivity is hindering economic growth and harming both employers and employees.

The childcare predicament is felt by parents as well as businesses. Nearly onethird of parents report having difficulty finding childcare. This leads to reduced productivity for working parents, and over 10% of parents report being demoted, transferred, or fired due to childcare problems. Businesses feel these impacts as well, through decreased output and extra costs to manage workforce disruptions. The ReadyNation report states that the cumulative impact on the national economy is \$57 billion - a significant sum that could contribute to stronger economic growth if the underlying issues of the childcare crisis are resolved.

While we do not have a similar report specifically on the status of Maine's childcare system, we do know that 73 percent of all children under age 6 have all parents in the workforce. And the Maine State Chamber of Commerce hears from local chamber members - specifically those on the coast and in Central Maine - that the lack of childcare is impeding area businesses' ability to hire and keep employees. Earlier in the year, the Central Maine newspapers published a series of articles on the lack of quality, affordable early childhood care and education in the area and how it has grown to be an ongoing concern for businesses and organizations whose employees need it.

Continued on Page 18...

LD 1760 provides as a community-based approach to increasing access to childcare, supports training and technical assistance in childcare field

The Maine State Chamber of Commerce is proud to be a co-leader of the MaineSpark Coalition, dedicated to achieving the state's education attainment goal that 60 percent of Maine adults have a credential of value by 2025. The Maine State Chamber supports high-quality early learning programs and the importance of supporting proposals like LD 1760, An Act To Support Children's Healthy Development and School Readiness, as a tool to build and strengthen Maine's future workforce. Maine needs to attract and retain young working families. The future of our economy depends upon it. In order for Maine to be able to do this, one of the steps requires access to quality, affordable early care and education.

The Maine State Chamber and our business members believe strongly that education is the single most important investment that can be made to ensure successful participation in the new, knowledge-based economy, earnings growth and improved health status. Post-secondary education and training are critical building block to ensure success in the work force. High-quality early education and K-12 are imperative building blocks to ensure postsecondary success. Moving each and every Mainer along the educational continuum to their highest educational potential is imperative. We have all seen the charts and know that there is a huge different in lifetime earnings between a college graduate and someone who drops out of high school: \$1.5 million per drop out. These staggering earning losses translate into less spending power, fewer contributions to the tax base, and less productivity.

Not only does quality childcare support the development of young children and lead to a vibrant future workforce, but its presence also provides important workforce infrastructure right now that allows parents to be productive at their jobs or higher education pursuits. There are great consequences for families who cannot obtain childcare for their children; it has resulted in parents having to step

out of the labor force, constraining employers' ability to fill open positions. This hinders families' abilities to flourish and takes away great developmental experiences from Maine's youngest children, who we will depend on to strengthen our communities and continue to build our economy when they are adults.

We know that 73% of all Maine children under age 6 have all parents in the workforce. We know that working parents want their children enrolled in high-quality early learning programs and that full day programs, especially those that include wrap around care before- and after-school, are what is most needed for working parents' schedules. Such continuity of care provides young students with the ability to create attachments to the same caregiver – which is one component of quality.

That's the kind of programming embraced by LD 1760, which seeks to transform community service coordination by using all of the assets of a local community and breaking down the silos between services to reduce fragmentation in services to children and families. LD 1760 is designed as a community-based approach, it is comprehensive and multigenerational, and it also supports the muchneeded training and technical assistance to those working in the childcare field.

Without question, childcare is a key piece of Maine's future workforce development, and the Maine State Chamber is pleased to see that the Administration has recognized that fact and has made increasing access to childcare part of Maine's new 10-year economic plan. LD 1760 is the first step in achieving this goal.

LD 1760 was one of the many carryover bills this session. It is possible that the Legislature could take LD 1760 up in a Special Session. However, if they choose not to, the Maine State Chamber hopes that this bill is introduced again in the 130th Legislature. For more information, please contact Megan Diver by calling (207) 623-4568, ext. 108, or by emailing mdiver@mainechamber.org. An act to create affordable workforce and senior housing and preserve affordable rural housing signed into law this session —

LD 1645, An Act To Create Affordable Workforce and Senior Housing and Preserve Affordable Rural Housing, was passed by the Legislature and signed into law as Public Law, Chapter 555. This law doubles the current rate of new affordable housing production by creating the Maine Affordable Housing Tax Credit program. The refundable credit is administered by the Maine State Housing Authority and is available to individuals or corporations who invest in affordable housing. The program is capped at \$10 million per year for eight years, with portions earmarked for senior housing and rural housing. It also leverages an equal amount of federal lowincome housing tax credit dollars.

The bill's sponsor, Assistant House Majority Leader Ryan Fecteau, worked with a bipartisan coalition of housing advocates, contractors, engineers, and local officials to develop the proposal. It draws on the existing state Historic Rehabilitation Tax Credit as well as similar laws in more than a dozen other states, including Vermont, Massachusetts, Connecticut. According to the Maine Affordable Housing Coalition, only about 52 available affordable housing units exist for every 100 Maine families earning 30 percent or less of the median income.

For more information, please contact Megan Diver by calling (207) 623-4568, ext. 108, or by emailing mdiver@mainechamber.org. □

R&D Investment... (Continued from Page 16...)

technology of existing businesses.

According to the U.S. Department of Commerce's Bureau of Economic Analysis, "Innovation has long been recognized as an important driver of economic growth. New ideas can spark wave upon wave of new goods and services that literally transforms an economy, making it robust and vibrant."

The Maine State Chamber believes that the State should make a long-term commitment to support research and development here. Maine is far behind where it needs to be in funding for R&D, and it will take a significant investment to achieve long-term success.

For more information, please contact Megan Diver by calling (207) 623-4568, ext. 108, or by emailing mdiver@mainechamber.org. □

Early Childhood... (Continued from Page 16...)

It is important that we improve access and affordability to high-quality childcare. We only achieve the educational outcomes we seek for Maine's youngest learners when their programs are high-quality. That means the early educators need the sort of trainings and professional development outlined in this bill. We thank Rep. Fecteau for putting this forward to begin the conversation to support a more productive workforce and economy, both now and in the future. After all, the childcare workforce!

Unfortunately, the committee was divided on its report, and the Legislature adjourned before voting on this bill. LD 1584 remains carried over into Special Session. For more information, please contact Megan Diver by calling (207) 623-4568, ext. 108, or by emailing mdiver@mainechamber.org. □

Legislature carries over bills to provide funding for capital improvements and equipment for career and technical education centers to special session

With education-attainment levels rising and trade skills and technology constantly evolving in the modern economy, there is an increasing need for well-trained and well-educated employees. Therefore, the Maine State Chamber believes that education or training is needed beyond a high school diploma.

Maine is faced with a workforce shortage across all sectors and regions, and by 2025, Maine will need approximately 158,000 more workers than exist here today. For a state facing an enormous workforce shortage, we need to establish alternative pathways for our future workforce that ultimately lead to an increase of workers into the workforce earning a paycheck and helping our local businesses thrive.

The Maine State Chamber supported **LD 1947**, *An Act To Fund Capital Improvements to Career and Technical Education Centers*, and **LD 2022**, *An Act To Provide Funding for Capital Improvements and Equipment for Career and Technical Education Centers and Regions*. Both would help Maine students acquire the necessary skills to succeed in today's high-skilled workforce. These bills would benefit and advance career and technical education (CTE) programs in Maine and increase student participation in work- based learning and foster industry-recognized and postsecondary credentials.

Increased funding to CTE programs is crucial to helping Maine students acquire the skills needed to be successful in today's workplace. Because employers are reporting a shortage of skilled workers to fill in-demand positions, ensuring that secondary and postsecondary institutions offer modern, quality, and relevant career and technical education (CTE) programs remains a priority so that we can develop and grow our state's workforce. As competition for high-skilled labor increases and as Maine's economy reaches full employment, every effort must be made to close the skills gaps that many industries face.

CTE offers students opportunities for career awareness and preparation by providing them with the academic and technical knowledge and work-related skills.

Research shows that several states have benefitted from investments into CTE programs, such as Connecticut, Washington, and Tennessee. For example, Tennessee attributes \$13 million in annual tax revenues to CTE program graduates. The U.S. Department of Education data explores and highlights CTE access, participation, and educational and labor market outcomes. The data shows that participating in CTE can provide students with a strong foundation of technical knowledge and employability skills to complement their academic studies and prepare them for both college and career options.

LD 2022 was amended and passed unanimously out of committee, while LD 1947 came out of committee with a divided report. Both bills didn't make it to the full Legislature to act upon before it adjourned and have been carried over into any Special Session the Legislature may have.

For more information, please contact Megan Diver by calling (207) 623-4568, ext. 108, or by emailing mdiver@mainechamber.org. □

LD 509 seeks to address college affordability —

The Maine State Grant Program provides need-based grants to Maine undergraduate students. Currently, the maximum grant award amount is \$1,500. **LD 509**, *An Act To Increase the Minimum Grant Amount under the Maine State Grant Program*, would raise the minimum grant amount to \$2,500 and appropriates the funds necessary to achieve this while continuing to help the roughly 12,000 students that benefit from the program annually.

This change will have a meaningful impact on Maine students who would otherwise, despite their best efforts, fall short of paying for a post-secondary education, without the burden of massive student loan debt.

The Maine State Chamber and its business members believe strongly that education is the most important investment that can be made to ensure successful participation in the new, knowledge-based economy. Post-secondary education and training is critical for creating a strong economy and to ensure success in the workforce. Education is the best means for individuals to create a better future for themselves or their families, and an educated workforce benefits all of us by making the economy more productive and making Maine a place that families want to live and for businesses to thrive, expand and be successful.

The Maine State Chamber continues to hear about the predicament that lies before our state in terms of college affordability and student debt. Investing in Maine's higher education institutions is the best way to address student debt. Many Maine college students experience an "Affordability Gap" in their ability to pay for the complete costs associated with college. Some of this is associated with the result of a sustained trend of underfunding of our public higher education institutions and grant programs. Too many in the state choose not to pursue higher education or fail to complete programs due to an inability to afford the price or financial pressures once enrolled, creating a worse situation for themselves by being burdened by college debt but with no credential to show for it.

Increasing the State of Maine Grant Program would help Maine's economy work and ensure that Mainers' education and career choices aren't dictated by their financial situation, allowing them the opportunity to succeed, regardless of income.

LD 509 had a public hearing during the First Regular Session of the 129th Legislature, and committee members were divided on their vote. The Legislature adjourned prior to voting on the bill, and it was carried over into any Special Session the Legislature may have. For more information, please contact Megan Diver by calling (207) 623-4568, ext. 108, or by emailing mdiver@mainechamber.org. \square

Taxation committee approves commission to study impacts of state's tax policy on small business and working families ——

Commission excludes medium- and large-sized businesses in Maine

On Thursday, January 30, the Joint Standing Committee on Taxation voted 8-3 "ought-to-pass as amended" on LD 1929. Resolve, Establishing Commission to Study Fair, Equitable and Competitive Tax Policy for Maine's Working Families and Small Businesses, sponsored Rep. Ryan Fecteau (D-Augusta). The bill would establish an 11member commission to study the impact of the state's tax policy on working families and small businesses and develop recommendations designed to ensure the tax policy is fair and equitable while ensuring the state remains competitive.

At its public hearing, the Maine State Chamber testified in opposition to the bill for several reasons. First, there were no requirements that an expert in tax policy would serve on the commission. Secondly, the focus of the report was only on one segment of the business community. The state's tax policy impacts more than just small businesses. Largeand medium-sized businesses are as important and were not considered to serve on the commission.

The Taxation committee amended the bill to include a representative from Maine Municipal Association and a representative from Maine's farming community, and also to require that one commission member be an expert in tax policy. The bill remains engrossed in both the House and Senate and was carried over to any potential special session. If you have any questions, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. □

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LD 647 seeks to attract, educate, and retain new state residents to strengthen the workforce

During the second session, the Maine State Chamber continued its work on LD 647, An Act To Attract, Educate and Retain New State Residents To Strengthen the Workforce, with Rep. Kristen Cloutier (D-Lewiston), as well as with members of the Appropriations and Financial Affairs (AFA) committee, House and Senate leadership, and the administration. LD 647 would create various programs to provide education, services, and training for the state's workforce immigrant populations. The bill would address some of the basic barriers to integrating immigrants into the workforce and to becoming a welcoming state so that we will be able to attract people of all nationalities.

First and foremost, this bill proposes more resources to help immigrants learn English, with an emphasis on English language classes tailored to specific workplaces and industries. The more English-proficient people are, the higher their earnings and ability to contribute to the local economy.

The bill would help immigrants understand the economic landscape, the needs of employers, and the process for applying and interviewing for jobs.

LD 647 places responsibility in the Office of Adult Education at the Department of Education to administer competitive grant programs to spread money beyond just the urban areas and to communicate with emerging immigrant populations.

It would establish the Welcome Center Initiative to operate welcome centers in adult education programs to provide education, services and training for foreigntrained workers in municipalities or regions of the state that have immigrant populations or that have industries that are experiencing a shortage of trained workers, patterned after the New Mainers Resource Center operated by the City of Portland adult education program through a pilot program created by the 126th Legislature. These centers would work particularly with higher-skilled immigrants to provide services and training to prepare them to enter Maine's job market within a period of six to 18 months.

Additionally, the bill tasks the Department of Education to provide grants for English Language instruction for adult education programs.

Maine is faced with a workforce short-

age across all sectors and regions. By 2025, Maine will need approximately 158,000 more workers than exist here today. Maine is the oldest state in the nation and getting older. More people are dying than being born. Our median age has gone up. Our workforce is smaller than it was 10 years ago, and baby boomers are exiting the workforce with fewer younger workers to take their place. Unless this trend is reversed, the Maine economy will begin to suffer. Capital investment simply will not flow to a place with a shrinking and aging workforce.

There is some great work being done in attracting people to move to our state, but we must do more. Just as we are the oldest state in the nation, we are also the least diverse. Maine has experienced a recent population growth, which has been due entirely to immigrants. Maine is home to roughly 49,000 immigrants. These people have higher educational levels than Mainers, on average, and if they are asylums seekers, they tend to have advanced degrees and are professionals. They have become entrepreneurs and opened new businesses.

We constantly hear about the workforce shortage across the state of Maine and across of fields, health care, construction, and hospitality. Communities are all experiencing more immigrants in the community and the corresponding need for ESL classes.

There are many Maine people who are not employed to their full potential, but immigrants face a more unique barrier. Maine needs specific strategies and supports to integrate them into the workforce. Some immigrants have limited English skills, a lack of familiarity with the job application and interview process, lack of U.S. work experience, difficulties with credential recognition and recertification challenges, lack of transportation, and the list goes on. Maine needs a coordinated initiative to invest in this new workforce.

The bill was approved in both the House and Senate in the First Regular Session and was left on the Special Appropriations Table as unfinished business and a carry over. LD 647 remains a carryover bill and could be considered during a Special Legislative Session. For more information, please contact Megan Diver by calling (207) 623-4568, ext. 108, or by emailing mdiver@mainechamber.org.

#PayItForwardMaine campaign launched to encourage local support in the face of COVID-19 pandemic —

On March 20, as Maine businesses and their employees faced the initial, unprecedented challenges posed by the COVID-19 pandemic, the Portland Regional Chamber of Commerce, Maine Department of Economic and Community Development, Maine State Chamber of Commerce, and the Retail Association of Maine partnered with several organizations across Maine to launch a campaign to support our community: #PayItForwardMaine.

Supported by several Chambers of Commerce and community partners, the #PayItForwardMaine campaign continues to ask individuals, businesses, and organizations to support local businesses and their employees as local businesses, service providers, and organizations navigate this new world of virtual storefronts and social distanced workplaces.

"Maine people count on small businesses every day, not just for goods and services, but for the contributions they make to our economy and our communities," said Dana Connors, president of the Maine State Chamber. "Our local businesses and their employees and families need our support now more than ever. Think of the impact if we all take action to #PayItForwardMaine."

#PayItForwardMaine encourages Mainers to consider the many ways to show support and to share your support through social media posts, photos, and actions by using the hashtag #PayItForwardMaine. Tagging family, friends, and followers in these posts challenges them to do the same. Suggested ways to contribute include:

- Buying a gift card, gift certificate, class pass, etc. this may be the simplest and most effective way to continue supporting local businesses throughout this crisis. Think of a business you would have visited that day/week/month and buy a gift card instead!
- Utilizing take-out and curbside to-go services (websites like Portland Food Map are keeping updated lists of restaurants offering these services).
 Always call first and consider tipping more than usual!
- Purchasing merchandise from the business' website obviously retail locations, but many businesses and organizations in all industries offer merchandise such as clothing, hats, glassware, posters, and more. Buy online and have it shipped to your door!
- Seeing if your service providers (accountants, business coaches, fitness instructors, etc.) offer virtual options;
- If you can't afford to show monetary support, sharing the website or social media account of your favorite business or organization and encouraging others to support them.
- Offering up to help in any way you can, such as helping to deliver products to those in need, volunteering your time to help feed the hungry, putting together packets for school children, providing child-care for those still working (especially those in health care and medical fields) and in need of a helping hand, or posting a video of teaching others about a favorite skill or technique.

To learn more, please visit PayItForwardMaine.com. □

Maine State Chamber launches "This is ME Counting on You" campaign, encouraging Mainers to safely and responsibly do their part to stop the spread of COVID-19



On May 20, the Maine State Chamber of Commerce launched a public awareness campaign – called "This is ME Counting on You" – encouraging Mainers to do their part to stop the spread of COVID-19. Following recommended health and safety guidelines, such as wearing a mask and gloves and practicing social distancing, will ensure Maine reopens safely and successfully so Maine can get back to business, Maine people can get back to work, and Maine's economic recovery can begin.

As part of the initiative, a television PSA is airing on cable stations soon and can be viewed online at www.mecountingonyou.org/video. The initiative's website, www.MeCountingOnYou.org, launched by Maine State Chamber, hosts resources and links to recommended health and safe-

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Counting on You... (Continued from Page 21...)

ty guidance and protocols. Printable posters are available for employers to place in their establishments to help provide reminders for employees, customers, and visitors to practice safe behavior. The initiative is also on Facebook (facebook.com/MEcountingonYOU) with the hashtag #MECountingOnYou.

"Maine businesses take very seriously their role in keeping their employees and customers safe and preventing the spread or a resurgence of COVID-19," said Dana Connors, president and CEO of the Maine State Chamber of Commerce. "We hope 'This is ME Counting on You' serves as a reminder that every one of us also has an important role to play in defeating COVID-19. We are all in this together and are counting on each other to act safely and responsibly. That is the best way we can support one another, our communities, and Maine businesses so we reopen successfully, and economic recovery can begin."

The Maine State Chamber is working with its members, local and regional chambers of commerce, and other organizations throughout Maine to spread the "This is ME Counting on You" message.

"Now that Maine is gradually reopening, 'This is ME Counting on You' is an important reminder for employers and patrons across Maine that we need to continue heeding the recommended health and safety precautions to stop COVID-19 from spreading or resurging," said Jessie Perkins, executive director of the Bethel Area Chamber of Commerce and current president of the Maine Association of Chamber of Commerce Executives, (MACCE). "This initiative reinforces the message that we all have a responsibility to stay on course, so Maine can get back to work and the way life should be safely and swiftly."

Remember when events were in person?



For the past 21 years, the Maine State Chamber's annual **Leadership Summit** has provided board members and business leaders an opportunity to discuss critical public policy issues with key public officials from both sides of the aisle, as well as with administrators and representatives of the executive branch. Again this year, the Chamber's board of directors and key business leaders gathered with legislative leaders and members of the Mills administration on Thursday and Friday, February 6 and 7, at Sunday River with the shared goal of finding

On Thursday, March 12, the Maine State Chamber hosted its annual **Business Day at the Statehouse** in the Hall of Flags. We didn't know it at the time but it was the last public event held in the Statehouse, as the announcement of Maine's first case of COVID-19 occured that afternoon.



ways to attracting and building talent, fostering innovation, and the building the critical support tools necessary to achieve the goals laid out in Governor Mills' recently-released 10-year Economic Development Strategy for Maine.



Podcast shifts to weekly schedule to share state and federal pandemic resources

a weekly frequency. During the COVID-19 pandemic outbreak, the podcast can be heard live on Thursdays at 10:00 a.m.

Launched in late September 2019, the Maine State Chamber of Commerce' podcast, "The Bottom Line," features a variety of guests and highlight the various priority areas of the Chamber and issues of importance to Maine's business community and economy. Airing at 10:00 a.m. on the second and fourth Thursday

In mid-March, the Maine State

Chamber decided to increase the produc-

tion of its "The Bottom Line" podcast to

of each month, each 30-minute episode of "The Bottom Line" podcast livestreams twice a month through Williams Broadcasting and is also archived on www.mainechamber.org. "The Bottom Line" can also be heard on iTunes, iHeart Radio, Soundcloud, Stitcher Radio, Spotify and radio.com.

To date, weekly guests have included Commissioner Pender Makin of the Maine Department of Education; Dan Belyea, chief workforce development officer for the Maine Community College System; Steve Hewins, president and CEO of Hospitality Maine; Laurie Lachance, president of Thomas College; Josh Broder, CEO of Tilson Tech; David Barber, business development specialist at Tyson Foods; Kurt W. Adams, President & CEO of Summit Utilities, Inc.; Governor Janet Mills; Chancellor Dannel Malloy of the University of Maine System; Kimberly Smith, Maine Department of Labor Deputy Commissioner; Matt Marks, CEO of the Associated General Contractors Maine; Amy K. Bassett, district director of SBA's Maine district office; U.S. Senator Susan Collins; U.S. Sen. Angus King; and, Bruce Wagner, CEO of the Finance Authority of Maine.

Maine State Chamber's webinars provide valuable information and resources during pandemic ——

Like any other business, the onset of the COVID-19 pandemic required the Maine State Chamber of Commerce to shift gears quickly and nimbly. The Statehouse closed to the public and our advocacy team navigated the public policy process remotely and virtually. The same transitions occured with our full calendar of events and programs. Thankfully, we were able to not only offer all of the events on our traditional calendar, but we also created a series of timely webinars in response to the needs of our members in the face of the global pandemic.

Webinar topics included human relations, workers' compensation, health care and insurance, financial and legal issues, working from home, state and federal support programs, energy, international trade, sole proprietors, and manufacturers. The recording of each webinar can be viewed at www.MaineChamber.org/webinars.

In addition to our webinars, the Maine State Chamber shifted its annual **Legislative Strictly Social** and its series of **Regional Business Breakfasts** to a virtual format in order for our members to have the opportunity to connect with each other and with legislators, as well as to hear about the legislative happenings in the last days of the session.

Thank you to the many presenters, partners, and sponsors who made these webinars possible, including these webinar series sponsors: Bangor Savings Bank, Central Maine Power Company, and Maine Department of Economic and Community Development. Additional webinars are being developed, and sponsorship opportunities are ongoing.

For more information, please contact Angela Arno, director of programs and events for the Maine State Chamber, by emailing aarno@mainechamber.org or calling (207) 623-4568, ext. 104. □























An Employer's
Guide to
COVID-Related
Return-toWork Issues
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MAINE S T A T E CHAMBER COMMERCE



Your Membership Matters!

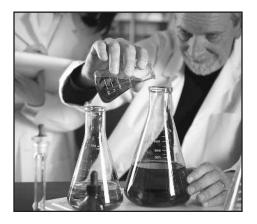
Someone has to speak up for Maine businesses. That's where we come in. The Maine State Chamber of Commerce is here, because you have a business to run, product to produce, service to provide, people to employ, and a community to support. You cannot do all those things and make sure the legislature in Augusta is acting in your best interests. We're here to influence the outcomes in the legislature, as well provide you with information, programs, and events that are a real return on investment of your membership dues. We are taking care of business in Augusta, so that you can take care of yours.

ADVOCACY

The Maine State Chamber has the largest and most respected advocacy presence of any business association in Maine. No other association covers as many issues with broad public policy implications as the Chamber. From workers' compensation, to workplace issues, health care, energy, tax policy, education, workforce development, and environmental policy, our team of advocates is the largest in the statehouse. With a combined experience totaling nearly, we are without question "The Voice of Maine Business" in the halls of Augusta.

ACCESS

Through our various networking events, our membership of more than 5,000 business owners and employees share best practices and create solid business contacts each year. A Chamber of Commerce membership provides you instant access to these area businesses and organizations. Our policy-oriented events give members the opportunity to interact with issue experts, opinion leaders, and policy makers in a meaningful way. Through these events, our members not only learn more about issues, they add value to the dialogue by sharing their own perspectives.



AWARENESS

Whether it's the Impact newsletter, the Chamber Minute and "Legislative Week Ahead" video updates, the news coverage archive, "The Bottom Line" podcast, or any the other Chamber Newsroom resources, the Maine State Chamber of Commerce makes it easy for members to stay current on what's going on in Maine's business community.



It goes without saying that there is strength in numbers and the higher the number, the louder and stronger "The Voice of Maine Business" is. If you are aware of someone or some organization that would benefit from a membership with the Maine State Chamber of Commerce, please put them in contact with Mark Ellis at (207) 623-4568 or at mellis@mainechamber.org. \square



MEET THE MAINE STATE CHAMBER TEAM

128 State Street, Suite 100, Augusta, Maine 04330 tel (207) 623-4568 • fax (207) 622-7723 • www.mainechamber.org

Collectively our staff represents 200+ years of experience

The Maine State Chamber has been around for approximately 200 years, and represents Maine businesses, both large and small. Our members cover nearly every sector of our economy, and can be found in every geographic region of our state. Collectively, our members provided tens of thousands of jobs in Maine and contribute significantly to our state's overall economic well-being.

Below is our staff list. Please feel free to reach out to us with questions or if we can help you in any way.



Dana Connors, President

dana.f.connors@mainechamber.org; ext. 103

As president of the state's largest and most diverse business association since 1994, Connors oversees the Chamber's broad range of activities on behalf of its members as well as several affiliates. His leadership has positioned the Chamber to be respected as "the voice of Maine business," providing reasoned **advocacy** efforts, **access** to Maine's Administrative, Legislative and business leaders, and **leadership** ensuring that Maine's employers and businesses are at the table on key issues that impact Maine's ability to grow and prosper.

Connors' vision and ability to build partnerships have been instrumental in the development of numerous programs and initiatives over the years that have and continue to serve our members in a meaningful way.



Peter Gore

Executive Vice President pgore@mainechamber.org; ext. 107

Peter is responsible for oversight and management of the Chamber's Advocacy team, policy directives, and government relations. His legislative focus areas include workers' compensation law, labor / management issues, health care / health insurance, economic development, and workforce development.



Ben Gilman

General Counsel; CEO of the MSCC Education Foundation

> bgilman@mainechamber.org; ext. 111

Ben brings to the Chamber a unique combination of experience in environmental and energy lobbying and, since 1995, politics. He also oversees the

Maine Economic Research Institute, an affiliate of the Chamber. His legislative focus areas include utilities and energy, natural resources, business regulation issues, and education. Prior to joining the Chamber, he was Director of Government Affairs for the Maine Energy Marketers Association (formerly Maine Oil Dealers).



Linda Caprara

Senior Government Relations Specialist; Director of Grassroots Advocacy

lcaprara@mainechamber.org; ext. 106

Linda focuses primarily on taxation and budget issues. She also coordinates the association's grassroots advocacy efforts and its annual Business Day at the Statehouse. In addition, Linda oversees the Chamber's Manufacturing Council, working closely with Maine manufacturers on legislative issues. Prior to joining the Chamber in 2008, she served as the Director of Government and Public Affairs for the Maine Pulp and Paper Association.



Megan Diver

Senior Government Relations Specialist

mdiver@mainechamber.org; ext. 108

Megan focuses primarily on education and workforce development issues. Prior to joining the Chamber in, Megan served as Government Relations Specialist at Pierce Atwood, Government Relations and Communications Manager at the Maine Association of Realtors and Communications Director for Secretary of State Charlie Summers.



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Collectively our staff represents 200+ years of experience



Mark Ellis Membership Specialist

mellis@maine chamber.org; ext. 109



Scott Samson Financial Coordinator

ssamson@maine chamber.org; ext. 114



Simon West Financial Assistant

swest@maine chamber.org; ext. 117

For more than 30 years, Mark helped businesses like Douglas Dynamics, Vermont Yankee Nuclear Power Corp., and Hewlett-Packard add value to their business endeavors through information technology. In the public sector, he has held leadership positions in statewide and national political campaigns, political party operations, and legislative communications.

Scott has served as the Financial Coordinator for the Maine State Chamber since 2010, after working on a contract basis since 2003. In addition to his financial duties, Scott is also responsible for state and federal reporting and management of the Chamber's human resources. A graduate of the University of Maine-Augusta with a BA in Accounting, he also received his MBA from the Keller Graduate School.

In addition to his finance duties, Simon coordinates the Maine Economic Research Institute, a Chamber affiliate. After completing his Bachelor's in finance at the University of Maine Augusta in December 2019, he has begun Thomas College's MBA program. Simon has worked in banking and finance since 2010. Aside from his position with the Maine State Chamber, which he began in 2019, Simon serves as Treasurer for the Pine Grove Program, a non-profit organization aimed at serving Veterans and First Responders.



Angela Morin Executive Assistant to the President

amorin@maine chamber.org: ext. 101



Melody Rousseau Sponsorship and Advertising Sales Manager

mrousseau@maine chamber.org; ext. 102



Angie Arno Director of **Programs** and Events

aarno@maine chamber.org; ext. 104

As Executive Assistant to the President, Angela's duties tend to vary from day to day. Her main focus includes coordination of all scheduling for the President, social media marketing, planning for Board of Directors meetings and events, management of our membership database, and support for our event planning team.

Melody serves as Sponsorship and Advertising Sales Manager for the Maine State Chamber of Commerce. Among her duties are publication and event program advertising, event sponsorship and exhibit opportunities, assistance with membership renewals, and assistance to Finance Department. She would love to discuss our

many advertising opportunities with you!

As an independent marketing consultant and former director of a small chamber, Angie joined our team in March of 2019 with much experience in events and programs management. Her duties include managing all aspects of the Maine State Chamber's events and programs, as well as managing the Maine Alliance of Chamber of Commerce Executives activities and semi-annual conferences. Additionally, Angie assists with marketing and social media campaigns.



Melanie Baillargeon

Director of Communications

melanieb@mainechamber.org; ext. 110

Melanie's responsibilities include oversight and production of all of the Chamber's publications from concept to completion, including the weekly IMPACT newsletter and the Making Maine Work series. She is also involved in event support and management of web and social media content, as well as media and public relations.



DIGEST OF LEGISLATION THIS SESSION

This Final Summary of the Second Regular Session of the 129th Maine Legislature discusses legislative initiatives that impact Maine businesses. Elsewhere, we have discussed some of the bills we believe were most significant to the state's business community. In the following pages, we summarize the wide variety of legislative proposals that the Maine State Chamber tracked this year.

As in past years, we have divided the legislation by principal policy area: Taxation, Health Care, etc. Within each section, we have included a summary for enacted legislation and for bills that are technically carried over to a future special sesion if the legislature returns this year. Defeated legislation is also listed within each policy theme.

Entries are in numerical order by their Legislative Document (LD) number. This is the number used throughout the session to refer to a particular bill. Where applicable, the current Public Law (PL), Private and Special Law (P&S), or Resolve (R) number appears in parentheses. Listed at the beginning of the summary of each public law is the name of the bill's sponsor and the committee to which the bill was assigned.

The Maine Legislature adjourned sine die Tuesday, March 17, 2020. In total this session, 145 bills were signed into public law by Governor Mills and there were 30 resolves enacted. Pursuant to the Constitution of Maine, Article IV, Part Third, Section 16, the general effective date for non-emergency laws passed in the Second Regular Session of the 129th Legislature is Tuesday, June 16, 2020 (90 days following adjournment). Emergency measures are effective when signed by the Governor. In this *Final Summary*, the effective date for emergency legislation is provided in brackets at the end of each write-up.

Please keep in mind that the contents of this newsletter are intended for informational use only and should not be relied upon as legal advice in any sense. All laws and regulations must be applied to each individual situation by experienced legal counsel. \Box

BOND ISSUES LEGISLATION

BOND ISSUES CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 148, An Act To Authorize a General Fund Bond Issue To Recapitalize the School Revolving Renovation Fund and To Give Priority Status to Certain School Facility Upgrades. (Sen. Millett, D-Cumberland) Joint Standing Committee on Appropriations and Financial Affairs. The funds provided by the bond issue in Part A of this bill, in the amount of \$50,000,000, will be used to recapitalize the School Revolving Renovation Fund for the purpose of providing funds to public schools for renovation and capital repairs. Part B of this bill gives upgrades of facilities required to meet prekindergarten facility standards and for prekindergarten capacity building Priority 4 status for loans from the fund to school administrative units for school repair and renovation.

LD 295, An Act To Authorize a General Fund Bond Issue To Increase Rural Maine's Access to Broadband Internet Service. (Rep. Berry, D-Bowdoinham) Joint Standing Committee on Appropriations and Financial Affairs. The funds provided by this bond issue, in the amount of \$100,000,000, will be used for the provision of broadband Internet service in unserved and underserved areas through ConnectME Authority grants to partnerships between private, municipal and nongovernmental service providers.

LD 394, An Act To Authorize a General Fund Bond Issue To Provide for Student Loan Debt Relief. (Rep. Hobbs, D-Wells) Joint Committee on Innovation, Development, Economic Advancement and Commerce. The funds provided by this bond issue, in the amount of \$50,000,000, will be used to provide funds to the Finance Authority of Maine for zero-interest student loans and loan consolidation or refinancing interest rate reductions for certain Maine residents who agree to live and work in Maine for at least 5 years. The bill creates the Maine Student Loan Debt Relief Program. Under the program, zero-interest loans up to \$10,000 per year for a maximum of 5 years are available to certain Maine residents who study at qualified in- state institutions of higher education and agree to live and work in Maine for at least 5 years following gradua-

tion. Loans bearing an annual interest rate of the prime rate of interest plus 2% are available to those who do not live and work in the State upon graduation. The Finance Authority of Maine may provide interest rate reduction payments to residents who use the authority's existing loan consolidation and refinancing program. This option is available to individuals who studied in Maine or outside of Maine and agree to live and work in Maine for at least 5 years. The bill exempts from Maine income tax any benefits received under the program to the extent included in federal adjusted gross income and prohibits individuals who have received benefits under the program from receiving the Maine educational opportunity tax credit.

LD 469, An Act To Authorize a General Fund Bond Issue To Provide Funding for Upgrades of Learning Spaces and Other Projects Funded by the School Revolving Renovation Fund. (Rep. Farnswoth, D-Portland) Joint Standing Committee on Appropriations and Financial Affairs. The funds provided by this bond issue, in the amount of \$50,000,000 in fiscal year 2019-20 and \$50,000,000 in fiscal year 2020-21, will be used to provide funds to the School Revolving Renovation Fund for the purpose

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Legislative Digest... (Continued from Page 27...)

of providing funds to public schools to upgrade learning spaces in school buildings and make other necessary repairs.

LD 547, An Act To Authorize a General Fund Bond Issue To Support Maine Aquaculture. (Sen. Chipman, D-Cumberland) EMERGENCY Joint Standing Committee on Appropriations and Financial Affairs. The funds provided by this bond issue, in the amount of \$25,000,000, will be used to provide funds to the Gulf of Maine Research Institute to study and promote Maine aquaculture.

LD 602, An Act To Authorize a General Fund Bond Issue To Support Research and Development in Maine. (Sen. Dill, D-Penobscot) Joint Standing Committee on Appropriations and Financial Affairs. The funds provided by this bond issue, in the amount of \$50,000,000, will be used forinvestment in research, development and commercialization in the State's 7 targeted technology sectors to be used for infrastructure, equipment and technology upgrades that enable organizations to gain and hold market share, to increase revenues and to expand employment or preserve jobs, including in the biotechnical and biomedical sectors by attracting more research capacity and in the forest products sector by using Maine fiber to reduce carbon emissions. The funds must be awarded through a competitive process to Mainebased public and private entities, leveraging other funds in a one-to-one ratio.

LD 923, An Act To Authorize a General Fund Bond Issue To Upgrade Municipal Culverts at Stream Crossings. (Speaker Gideon, D-Freeport) Joint Standing Committee on Appropriations and Financial Affairs. The funds provided by this bond issue, in the amount of \$5,000,000, will be used for a competitive grant program that matches local funding for the upgrade of municipal culverts at stream crossings in order to enhance and restore rivers, streams and fish and wildlife habitats and to allow communities to better prepare for extreme storms and floods.

LD 1836, An Act To Authorize a General Fund Bond Issue for Infrastructure, Economic Development, Workforce Development and Energy and Environment Investment. (Sen. Breen, D-Cumberland)



Joint Standing Committee on Appropriations and Financial Affairs. PART A provides a bond issue in the amount of \$105,000,000. Funds in the amount of \$100,000,000 will be used for reconstruction and rehabilitation of highways and bridges and for facilities or equipment related to ports, harbors, marine transportation, freight and passenger railroads, aviation, transit and bicycle and pedestrian trails, matching an estimated \$137,000,000 per year in federal and other funds. Funds in the amount of \$4,000,000 will be used for a competitive grant program that matches local funding for the upgrade of municipal culverts at stream crossings in order to improve fish and wildlife habitats and to allow communities to better prepare for extreme storms and floods. Funds in the amount of \$1,000,000 will be used to complete the renovation of a wharf and bulkhead at the Gulf of Maine Research Institute in Portland to bring the wharf back into operation for a fishing vessel berthing resource to support marine research at sea, for commercial fishing access and for continued long-term marine job development.

PART B: The funds provided by this bond issue, in the amount of

\$50,000,000, will be used to invest in community broadband infrastructure, economic development and job creation.

PART C: The funds provided by this bond issue, in the amount of \$19,000,000, will be used to invest in Maine Community College training, in child care services, in Maine Army National Guard readiness centers and support facilities and in career and technical education centers.

PART D: The funds provided by this bond issue, in the amount of \$65,000,000, will be used to protect Maine's environment by investing in land conservation, water access, wildlife habitat, outdoor recreation opportunities, including hunting and fishing, farmland and working waterfronts and by supporting environmental clean-up efforts and promotion of renewable energy projects. Funds provided in this Part for the Efficiency Maine Trust, in the amount of \$15,000,000, will be used to purchase solar arrays, high-efficiency ductless heat pumps and high-efficiency modern wood heating systems for buildings and property owned by municipalities and school administrative units and will

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fund the Municipal Energy Efficiency and Renewable Energy Program under Part E.

PART E: Part E establishes the Municipal Energy Efficiency Renewable Energy Program within the Efficiency Maine Trust to support municipalities and municipally authorized citizen committees and school administrative units across the State in reducing energy costs, reducing carbon emissions, facilitating the development of renewable energy resources and creating local jobs related to the building of renewable energy facilities and the installation of energy-efficient equipment. It funds the program with the proceeds of bonds, including bonds issued pursuant to Part D, any other funds allocated by the trust and matching funds from participating municipalities. Part E takes effect only if the bond issue under Part D is approved by the voters of the State.

BUDGET AND FINANCE LEGISLATION

BUDGET AND FINANCE ENACTED...

LD 2126 (PL 616), An Act Making Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2020 and June 30, 2021. (Rep. Gattine, D-Westbrook) Joint Standing Committee on Appropriations and Financial Affairs.

BUDGET AND FINANCE CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 1947, An Act To Fund Capital Improvements to Career and Technical Education Centers. (Rep. Fecteau, D-Biddeford) Joint Standing Committee on Appropriations and Financial Affairs. This bill authorizes the issuance and use of up to \$20,000,000 in Maine Governmental Facilities Authority securities for capital improvements to career and technical education centers and regions.

ECONOMIC DEVELOPMENT LEGISLATION

ECONOMIC DEVELOPMENT DEFEATED...

LD 814, An Act To Strengthen Maine's Economy through Research and Innovation led by the University of Maine System. (Sen. Herbig, D-Waldo) Joint Standing Committee on Education and Cultural Affairs.

ECONOMIC DEVELOPMENT CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 859, An Act To Authorize a General Fund Bond Issue To Fund Equipment for Career and Technical Education Centers and Regions. (Rep. Fecteau, D-Biddeford) Joint Standing Committee on Education and Cultural Affairs. The funds provided by this bond issue, in the amount of \$40,000,000, will be used to provide funds to make capital improvements to and purchase equipment for career and technical education centers and regions for high school students.

LD 860, An Act To Establish the Maine Community College System No-cost Tuition Program. (Rep. Brennan, D-Portland) Joint Standing Committee on Education and Cultural Affairs. This bill establishes the Maine Community No-cost College System Tuition Program. Under the program, Maine residents who are determined to be eligible students and who are enrolled in an eligible course of study at a college within the Maine Community College System are eligible for a grant to cover the cost of tuition and mandatory fees, less any federal financial aid or other financial assistance that the student receives that is not required to be repaid. The Maine Community College System must include in its biennial budget for presentation to the Governor and the Legislature the estimated full funding for the Maine Community College System No-cost Tuition Program.

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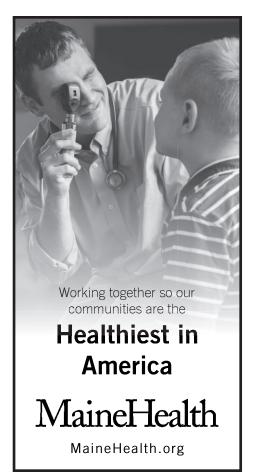
Meetings, Receptions, Conferences, Banquets and more!



The Augusta Civic Center is within an hour and a half drive for more than 75% of Maine's population and is conveniently located immediately off I-95. We are a full service facility with a 25,000 square foot auditorium, 23 flexible meeting rooms, including 2 ballrooms, and a full kitchen and food service staff on site. With more than 46 years experience in conventions, trade shows, conferences and banquets, we stand ready to serve you!

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EDUCATION LEGISLATION

EDUCATION ENACTED...

LD 359 (PL 556), An Act To Address Student Hunger with a "Breakfast after the Bell" Program. (Sen. Moore, R-Washington) Joint Standing Committee on Education and Cultural Affairs. This law requires a school administrative unit with a public school in which at least 50% of students qualified for a free or reduced-price lunch during the preceding school year to operate an alternative breakfast delivery service that provides breakfast after the start of the school day for students at that public school. It also provides a process for a school administrative unit to opt out of the alternative breakfast delivery service. This law requires the Department of Education to adopt rules to develop an application process and to adopt standards to address evaluation criteria based on need for funding assistance for alternative breakfast delivery services in school administrative units. It also requires the department to develop a means to track health and academic outcomes of students and schools that participate in alternative breakfast delivery services.

LD 2014 (PL 654), An Act To Amend the Laws Governing the Maine State Grant Program. (Rep. Daughtry, D-Brunswick) Joint Standing Committee on Education and Cultural Affairs. This law allows an adult learner benefiting from a grant under the Maine State Grant Program to receive up to 12 semesters' worth of grant funding. LD 2072 (R 132), Resolve, Regarding Legislative Review of Portions of Chapter 132: Learning Results: Parameters for Essential Instruction, a Major Substantive Rule of the Department of Education. Kornfield, D-Bangor) Joint Standing Committee on Education and Cultural Affairs. This resolve provides for legislative review of portions of Chapter 132: Learning Results: Parameters for Essential Instruction, a major substantive rule of the Department of Education.

EDUCATION DEFEATED...

LD 791, An Act To Provide School Districts with Full State Funding for Students with High-cost Special Education Needs. (Sen. Miramant, D-Knox) Joint Standing Committee on Education and Cultural Affairs. LD 882, Resolve, To Require the Examination





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of the System of Learning Results. (Rep. Sampson, R-Alfred) Joint Standing Committee on Education and Cultural Affairs.

LD 1607, An Act To Create the Department of Early Care and Learning. (Sen. Millett, D-Cumberland) Joint Standing Committee on Education and Cultural Affairs.

EDUCATION CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 149, An Act To Authorize a General Fund Bond Issue To Provide Student Debt Forgiveness To Support Workforce Attraction and Retention. (Sen. Libby, D-Androscoggin) Joint Standing Committee on Innovation, Development, **Economic** Advancement and Commerce. 1. Requires a General Fund bond obligation in the amount of \$250,000,000 for a program administered by the Finance Authority of Maine to provide funds for payment of student loan debt for individuals who agree to live and work in Maine for 5 years and to reimburse employers that make student loan debt payments on behalf of their employees who agree to live and work in Maine for 5 years; and 2. Establishes the Maine Student Loan Debt Relief Program and the Maine Student

Loan Debt Relief Fund and requires the Finance Authority of Maine to adopt major substantive rules to implement the program and submit the rules to the Second Regular Session of the 129th Legislature

LD 427, An Act To Require the State To Fund Teacher Retirement. (Rep. Brennan, D-Portland) Joint Standing Committee on Education and Cultural Affairs. This bill changes the method for funding teacher retirement costs. It repeals those provisions of law enacted pursuant to Public Law 2013, chapter 368 that require school administrative units and private schools to pay a portion of the costs for teacher retirement.

LD 502, An Act To Establish the Summer Success Program Fund. (Rep. Pierce, D-Falmouth) Joint Standing Committee on Education and Cultural Affairs. This bill establishes the Summer Success Program Fund, a dedicated fund to be directed and administered by the Commissioner of Education and held by the Treasurer of State, to encourage the facilitation of high-quality summer success programs in school administrative units throughout the State. The bill accomplishes the following:

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Legislative Digest... (Continued from Page 30...)

- It provides that money paid into the fund may include General Fund appropriations, as well as grants, gifts and other money from any unit of federal, state or local government or from any person, firm, partnership or corporation for deposit to the fund, money received from a social impact bond and interest, dividends and other pecuniary gains. It requires that school administrative units ensure that grants provided from the fund for expanding access to summer success programs supplement and not supplant federal funding.
- 2. It requires the commissioner to administer the fund within the Department of Education and to establish standards and approval for the allocation and use of fundmoney for summer success programs offered at elementary and secondary schools in the State. It also allows the commissioner to include the following in the standards:
 - A. Guidelines similar to the federal 21st Century Community

- Learning Centers program to close the achievement gap between high-performing and low-performing students;
- B. Effective models of summer success programs that involve networking and partnerships with community-based organizations that provide a range of high-quality services to support student learning and development; and
- C. Implementation of the formative and summative assessment methods to measure student achievement in order to monitor the progress of students participating in summer success programs.
- 3. It provides that, beginning in fiscal year 2020-21, the department is required to provide grant funding, through a grant application process, to cover 90% of the costs of summer success programs in school administrative units with greater than 50% student participation in the federal free and reduced-price lunch program.
- 4. It adds the fund to the enhancing student performance and opportunity provisions of the Essential Programs and

Services Funding Act. 5. It requires the commissioner to submit a report to the Joint Standing Committee on Education and Cultural Affairs by December 15, 2019 that outlines the proposed rules to implement the fund by the 2020-2021 school year.

LD 509, An Act To Increase the Minimum Grant Amount under the Maine State Grant Program. (Rep. Pierce, D-Falmouth) Joint Standing Committee on Education and Cultural Affairs. This bill provides that the minimum grant amount under the Maine State Grant Program may not be less than \$2,500 if sufficient funds are appropriated for this purpose, subject to the current grant amount modifications under the program.

LD 512, Resolve, To Create the Task Force To Study and Plan for the Implementation of Maine's Early Childhood Special Education Services. (Rep. Farnsworth, D-Portland) **EMERGENCY** Joint Standing Committee on Education and Cultural Affairs. This resolve establishes the Task Force To Study and Plan for the Implementation of Maine's Early Childhood Special Education Services to examine the national trends and relevant models of governing and delivering early childhood special education systems and the short-term and long-term costs and benefits to the Department of Education's proposed plan to restructure the Child Development Services System and to make recommendations for an early childhood special education services program plan.

LD 647, An Act To Attract, Educate and Retain New State Residents To Strengthen the Workforce. (Rep. Cloutier, D-Lewiston) Joint Standing Committee on Education and Cultural Affairs. This bill creates various programs to provide education, services and training for the State's workforce immigrant populations in the following ways: 1. It establishes the Welcome Center Initiative to operate welcome centers in adult education programs to provide education, services and training for foreign-trained workers in municipalities or regions of the State that have immigrant populations or that have industries that are experiencing a shortage of trained workers, patterned after the New Mainers Resource Center operated by the City of Portland adult education program through a pilot program created by the 126th Legislature. The bill provides funds for grants for proposed welcome centers.

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Legislative Digest... (Continued from Page 31...)

GENERAL FUND	2019-20	2020-21
All Other	\$150,000	\$150,000
GEN FND TOTAL	\$150,000	\$150,000
GENERAL FUND	2019-20	2020-21
GENERAL FUND All Other	2019-20 \$400,000	2020-21 \$400,000

EDUCATION, DEPARTMENT OF

 DEPT TOTALS
 2019-20
 2020-21

 GEN FUND
 \$1,500,000
 \$1,500,000

 DEPT TOTAL - ALL FUNDS
 \$1,500,000
 \$1,500,000

2. It directs the Department of Education's office of adult education and family literacy to: A. Administer a vocation-specific English language acquisition and workforce training program for immigrants in the State and establish a statewide competitive grant process to carry out the purposes of the program; B. Establish and implement a local community planning support program to provide a planning process for

communities to provide English language acquisition and training in vocational skills, identify employers or areas that would benefit from immigrant residency or employment and cultivate community support to integrate immigrants into the communities and local workforce. The office must establish a grant process to carry out the purposes of the program; and C. Develop and implement a grant process to award grants to adult education programs to increase English language acquisition instruction. The bill provides funding for the vocation-specific English language acquisition and workforce training program, the local community planning support program and grants to increase English language acquisition instruction; and,

3. It directs the Department of Education to establish a welcome center under the Welcome Center Initiative within the City of Lewiston's adult education program to attract, educate and retain in employment foreign-trained workers, patterned after the New Mainers Resource Center in Portland, and provides funding for that purpose. It also

provides ongoing funding for the New Mainers Resource Center in Portland. LD 703, An Act To Help Maine Students Succeed. (Sen. Millett, D-Cumberland) Joint Standing Committee on Education and Cultural Affairs. This bill is a concept draft. LD 712, An Act To Fully Fund Afterschool and Preschool Programs in the School Funding Formula, Increase the Economically Disadvantaged Student Factor in the School Funding Formula and Increase the School Construction Debt Service Limit. (Rep. Brennan, D-Portland) Joint Standing Committee on Education and Cultural Affairs. This bill amends the school funding formula to fund afterschool programs based on the state share percentage and to fund public preschool programs at 50% of the cost of the programs, or if a school administrative unit's state share percentage is greater than 50%, to fund the unit's public preschool program at the state share percentage. The bill also increases the additional weight for economically disadvantaged students from 0.15 to 1.5. The bill also raises the maximum debt service limit for school con-

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USM

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Legislative Digest... (Continued from Page 32...)

struction projects from \$126,000,000 to \$150,000,000 beginning in 2020.

LD 772, An Act To Encourage Continued Learning. (Rep. Daughtry, D-Brunswick) Joint Standing Committee on Innovation, Development, Economic Advancement and Commerce. This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to enact measures designed to encourage continued learning by Maine residents, including, but not limited to, creating incentives and implementing strategies to enable so-called stranded learners who have some college credit but no degree to complete degree and certificate programs and graduate from college. LD 1584, An Act To Attract, Build and Retain an Early Childhood Education Workforce through Increased Training, Education and Career Pathways. (Rep. Fecteau, D-Biddeford) Joint Standing Committee on Education and Cultural Affairs. This bill requires the Commissioner of Health and Human Services, the Commissioner of Education and the Commissioner of Labor jointly to develop and implement an early childhood educators workforce support program to recruit and retain early childhood educators working with children up to 5 years of age. Components of the program include:

- Expansion of educational programs at career and technical education centers and financial support of those programs;
- Comprehensive scholarships for persons taking classes toward the attainment of an early childhood education credential or an associate or bachelor's degree that allow the persons to graduate without student debt as long as the persons agree to work for a year with an approved employer;
- 3. An increased number of apprenticeships; and,
- 4. Salary supplements awarded to individuals who provide child care or who are early childhood educators. The amount of the supplement is based on the level of education and experience of the individual and other factors.

This bill also provides funding to carry out the program.

LD 1606, An Act To Increase Funding for Career and Technical Education Programs.

(Sen. Dill, D-Penobscot) Joint Standing Committee on Education and Cultural Affairs. This bill provides an additional \$1,500,000 per year for the cost of career and technical education pursuant to the Maine Revised Statutes, Title 20-A, section 15688-A, subsection 1. This bill also removes the so-called hold harmless provision that limits the amount of any decrease or increase in the total allocation for a career and technical education center or career and technical education region, effective January 1, 2020.

LD 1760, An Act To Support Children's Healthy Development and School Readiness. (Senate President Jackson, D-Aroostook) Joint Standing Committee on Health and Human Services. This bill creates the First 4 ME Early Care and Education Program under the Department of Health and Human Services to provide comprehensive, high-quality early child care and education services for at-risk children under 6 years of age who have not entered kindergarten and the children's parents by funding projects that integrate comprehensive resources and services with traditional center-based and family child care settings. The projects are sponsored by coalitions of stakeholders, providers and other community members within the communities that the projects serve. Each project is led and coordinated by a community contractor who staffs the project's operations and contracts with community providers to provide health care, education or parenting services, which may include services provided in a licensed child care center or by a licensed family child care provider, in a home visit or by an individual providing services to a family member within the individual's or family member's residence. The community contractor employs or contracts with community coaches who train and provide support to community providers. This bill also directs the department to request proposals for up to 10 pilot projects to implement the program and to report to the Legislature on the progress of the pilot projects toward the objectives, goals and intended outcomes of the projects in 2024. LD 1916, An Act To Increase High School Graduation Rates for Students Experiencing Homelessness or in Foster Care. (Sen. Libby, D-Lewiston) Joint Standing Committee on Education and Cultural Affairs. This bill does the following:

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Legislative Digest... (Continued from Page 33...)

- 1. It amends the process for applying for a Department of Education diploma by requiring that the responsible school apply on behalf of a student who has experienced one or more education disruptions on request. The student's parent or guardian or a student who is over 18 years of age may still apply directly to the Department of Education, and the school must assist the student in the application process.
- It provides that the Commissioner of Education must award a Department of Education diploma to a student who has experienced homelessness or has been in foster care who meets certain criteria and may not require that student to provide additional information or be interviewed.
- It provides that a secondary school must award a diploma to a student who has experienced homelessness or foster care placement if the student meets specified criteria.
- 4. It provides that the responsible school for a student whose education disruption is due to multiple transfers or homelessness or foster care placement must compile for the student partial and full credits received by the student to date, provide priority enrollment in classes in which the student has received partial credit and immediately enroll the student in classes or programs to close gaps between the compilation of credits by the student and the credits typically earned by the student's peers.
- It requires the responsible school to provide an adult mentor to students who
 experience education disruption due to
 homelessness or foster care placement
 to facilitate transition into the school.
- 6. It requires that if the responsible school determines that a student who experiences education disruption will not be able to graduate by the end of the student's 4th year of secondary school, the responsible school must provide the student information regarding a Department of Education diploma and apply on behalf of the student or assist the student in making the application.

LD 1999, An Act To Amend the Maine Education Savings Program. (Sen. Herbig, D-Waldo) Joint Standing Committee on Education and Cultural Affairs. This bill



amends the Maine Education Savings Program by making permissive rather than mandatory the investment of fund dollars by the Finance Authority of Maine in statebased financial institutions.

LD 2022, An Act To Provide Funding for Capital Improvements and Equipment for Career and Technical Education Centers and Regions. (Sen. Herbig, D-Waldo) Joint Standing Committee on Education and Cultural Affairs. This bill authorizes the Commissioner of Education to expend and disburse funds to career and technical education centers and career and technical education regions to make capital improvements and to purchase equipment that has a useful life of at least 5 years and provides a one-time General Fund appropriation of \$4,000,000 in fiscal year 2020-21 for that purpose.

ENERGY, UTILITIES, AND TECHNOLOGY LEGISLATION

ENERGY, UTILITIES, AND TECHNOLOGY CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 1646, An Act To Restore Local Ownership and Control of Maine's Power Delivery Systems. (Rep. Berry, D-Bowdoinham) Joint Standing Committee on Energy, Utilities and Technology. This bill creates the Maine Power Delivery Authority as a consumer-owned utility to acquire and operate all transmission and distribution systems in the State currently operated by the investor-owned transmission and distribution utilities known as Central Maine Power Company and Emera Maine.

LD 1748, An Act To Allow for the Establishment of Commercial Property Assessed Clean Energy Programs. (Sen. Sanborn, D-Cumberland) Joint Standing Committee on Energy, Utilities and Technology. This bill allows the Efficiency Maine Trust or a municipality to establish

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Legislative Digest... (Continued from Page 34...)

a commercial property assessed clean energy program to finance energy savings improvements on qualifying property.

ENVIRONMENTAL LEGISLATION

ENVIRONMENTAL ENACTED...

LD 401 (PL Ch. 601), An Act To Preserve State Landfill Capacity and Promote Recycling. (Rep. Tipping, D-Orono) Joint Standing Committee on Environment and Natural Resources. The bill adds definitions to the State's solid waste management laws for the terms "recycling facility" and "waste generated within the State" and amends certain other related definitions and provisions within the solid waste management laws consistent with those new definitions. It also provides that at least 50% of the waste characterized as recycled by a solid

waste processing facility that generates residue requiring disposal must have been reused or recycled through methods other than landfilling but includes specific alternative provisions applicable to certain solid waste processing facilities that process exclusively construction and demolition debris.

ENVIRONMENTAL DEFEATED...

LD 327, An Act To Revise Maine's Environmental Laws. (Rep. Tucker, D-Brunswick) Joint Standing Committee on Environment and Natural Resources.

ENVIRONMENTAL CARRIED OVER TO FUTURE SPECIAL SESSION...

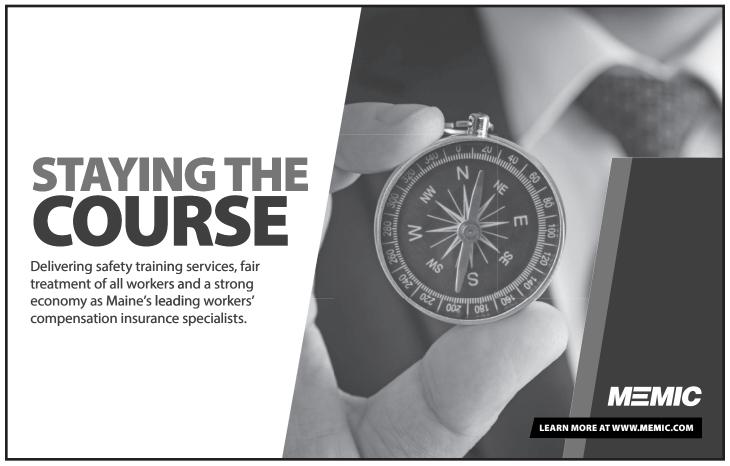
LD 16, An Act To Authorize a General Fund Bond Issue To Invest in Infrastructure To Address Sea Level Rise. (Rep. Brennan, D-Brennan) Joint Standing Committee on Appropriations and Financial Affairs. The funds provided by this bond issue, in the amount of \$50,000,000, will be used to improve waterfront and coastal infrastructure in municipalities to address sea level rise.

LD 102, An Act To Improve the Manufacturing of Plastic Bottles and

Bottle Caps. (Rep. Doudera, D-Camden) Joint Standing Committee on Environment and Natural Resources. This bill prohibits, beginning January 1, 2020, a manufacturer from selling, offering for sale or distributing for sale in the State a single-use plastic beverage container unless the container is composed of at least 15% post-consumer recycled plastic. Beginning January 1, 2022, this threshold for the percentage of postconsumer recycled plastic in single-use plastic beverage containers increases to 20% and, beginning January 1, 2024, the threshold increases to 25%.

The bill also prohibits, beginning January 1, 2020, a manufacturer from selling, offering for sale or distributing for sale in the State a single-use plastic beverage container with a plastic beverage cap unless the cap is composed of the same plastic as the beverage container and the cap is tethered to the container in a manner that prevents the separation of the cap from the container when the cap is removed or the cap includes an opening from which the beverage can be consumed while the cap remains screwed

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L to R: Jeff Garrison, System Director of Heart & Vascular Service Line; David Tupponce, M.D., Executive Vice President of Central Maine Healthcare, President of Central Maine Medical Center; Andrew Eisenhauer, M.D., Medical Director of Central Maine Heart and Vascular Institute; Paul Weldner, M.D.; Arun Thukkani, M.D., Ph.D.; and Phillip Terrell, Practice Leader for 100 Top Hospitals, IBM Watson Health

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Legislative Digest... (Continued from Page 35...)

onto or otherwise affixed to the container. LD 1224, An Act To Authorize General Fund Bond Issues To Address Changes in Sea Level, Geospatial Data Acquisition by Communities and the Increase in Ocean Acidity. (Rep. Devin, D-Newcastle) Joint Standing Committee on Appropriations and Financial Affairs. This bill authorizes the issuance of bonds.

- 1. Part A of this bill authorizes the issuance of bonds, in the amount of \$5,000,000, to be used to support improvements to sea level prediction models by providing more detailed mapping of coastal zones and monitoring sea level changes in order to mitigate the impact of and help prepare for rising sea levels.
- 2. Part B of this bill authorizes the issuance of bonds, in the amount of \$6,000,000, to be used to provide partnership funds and matching grants for geospatial data acquisition to communities that are creating or improving digital parcel maps to accurately identify existing boundaries and land use, identify potential community development areas and protect environmental resources.
- 3. Part C of this bill authorizes the issuance of bonds, in the amount of \$3,000,000, to be used to collect data, monitor waterways and perform tests related to the known increasing ocean acidity along the Maine coast and its impact on natural wildlife and commercially important species in Maine waters, such as lobsters and clams.

LD 2104, An Act To Support and Increase the Recycling of Packaging. (Rep. Tucker, D-Brunswick) Joint Standing Committee on Environment and Natural Resources. This bill, which is reported out by the Joint Standing Committee on Environment and Natural Resources pursuant to Resolve 2019, chapter 42, section 2, establishes a stewardship program for packaging to be operated by a stewardship organization con-Department by the Environmental Protection following a competitive bidding process. Under that program, producers of packaging pay into a fund based on the amount by weight of packaging material they sell, offer for sale or distribute for sale in the State. Producers can wholly or partially offset this payment

obligation by implementing independent programs to recycle packaging of the same material type for which they have a payment obligation and can further reduce their payment obligation by reducing the amount of packaging they sell, offer for sale or distribute for sale in the State, by redesigning that packaging to make it more valuable as a recyclable material or by meeting other program incentive requirements.

Producer payments received by the stewardship organization are used to reimburse eligible municipalities for certain incurred recycling and waste management costs. To be eligible for such reimbursements, a municipality must share with the stewardship organization certain data regarding its incurred recycling and waste management costs. Recycling-related reimbursements to municipalities will be based on the median recycling costs incurred by similarly situated municipalities, while disposal-related reimbursements will be based on per capita disposal costs. The stewardship organization is authorized to use producer payments remaining after all reimbursements are paid to cover operational costs for the program, department fees, investments by the organization in education and infrastructure aimed at improving recycling outcomes in the State and funding for the Maine Solid Waste Diversion Grant Program established under the Maine Revised Statutes, Title 38, section 2201-B.

The committee has not taken a position on the substance of the bill and by reporting this bill out the committee is not suggesting and does not intend to suggest that it agrees or disagrees with any aspect of this bill. The committee is reporting the bill out for the sole purpose of obtaining a printed bill that can be referred to the committee for a public hearing and subsequent committee action in the normal course.

LD 2112, An Act To Limit the Use of Hydrofluorocarbons To Fight Climate Change. (Rep. Tucker, D-Brunswick) Joint Standing Committee on Environment and Natural Resources. This bill prohibits the selling, leasing, renting, installing, use or entering into commerce of any product or equipment that uses or will use a substance that is a hydrofluorocarbon with high global warming potential intended for any air conditioning, refrigeration, foam or aerosol propellant end use as determined by the Department of Environmental Protection in rules. It directs the depart-

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ment to adopt rules to implement the prohibition and specifies the substances and end uses that are to be addressed in the rules. In adopting the initial rules, the department must regulate each substance and end use as specifically provided for in the bill and may not regulate any substance or end use not addressed in the bill. In the future, the department may adopt rules adding or removing substances from the list of prohibited substances or adding or removing end uses.

HEALTH CARE LEGISLATION

HEALTH CARE ENACTED...

LD 1975 (PL 605), An Act To Facilitate Dental Treatment for Children. (Sen. Sanborn, D-Cumberland) Joint Standing Committee on Health Coverage, Insurance and Financial Services. This bill prohibits a health insurance carrier from imposing a waiting period for any dental or oral health service or treatment,

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except for orthodontic treatment, for an enrollee under 19 years of age.

LD 2007 (PL 653), An Act To Enact the Made for Maine Health Coverage Act and Improve Health Choices in Maine. (Speaker Gideon, D-Freeport) Joint Standing Committee on Health Coverage, Insurance and Financial Services. This bill:

- 1. Establishes the Made for Maine Health Coverage Act;
- 2. Establishes the Maine Health Insurance Marketplace Trust Fund;
- 3. Authorizes the State to enter into state-federal health coverage partnerships that support the availability of affordable health coverage;
- Establishes a pooled market for individual health plans and small group health plans and changes reinsurance to be retrospective and applied to the pooled market; and
- Creates clear choice design for cost sharing and requires coverage of certain primary care and behavioral

health visits without the application of any deductible.

LD 2096 (PL 666), An Act To Save Lives by Capping the Out-of-pocket Cost of Certain Medications. (Speaker Gideon, D-Freeport) EMERGENCY Joint Standing Committee on Health Coverage, Insurance and Financial Services. This law provides that a health insurance carrier that provides coverage for prescription insulin drugs may not impose a cost-sharing requirement on an enrollee that results in out-of-pocket costs to the enrollee in excess of \$35 per prescription for a 30-day supply of insulin. The requirements apply to all health insurance policies issued or renewed on or after January 1, 2021.

The second half of the law authorizes a pharmacist to dispense emergency refills of insulin and associated insulin-related supplies. The amendment requires that the insulin dispensed be in a quantity that is the lesser of a 30-day supply and the smallest available package. The amendment also requires the Maine Board of Pharmacy to adopt rules to establish adequate training requirements and protocols for dispensing insulin. [3/17/2020]

LD 2105 (PL 668), An Act To Protect Consumers from Surprise Emergency Medical Bills. (Speaker Gideon, D-Freeprt) Joint Standing Committee on Health Coverage, Insurance and Financial Services. This bill amends the law providing consumer protection for surprise medical bills to include surprise bills for emergency services. In the event of a dispute with respect to a surprise medical bill, the bill directs the Superintendent of Insurance to develop an independent dispute resolution process to determine a reasonable payment for health care services.

HEALTH CARE DEFEATED...

LD 51, An Act To Implement the Recommendations of the Task Force on Health Care Coverage for All of Maine. (Sen. Sanborn, D-Cumberland) Joint Standing Committee on Health Coverage, Insurance and Financial Services.

LD 1617, An Act To Create a Single-payer Health Care Program in Maine. (Rep. Sylvester, D-Portland) Joint Standing Committee on Health Coverage, Insurance and Financial Services.

LD 2095, An Act To Require Appropriate Coverage of and Cost-sharing for Generic Drugs and Biosimilars. (President Jackson, D-Aroostook) Joint

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Standing Committee on Health Coverage, Insurance and Financial Services.

HEALTH CARE CARRIED OVER TO FUTURE SPECIAL SESSION...

Residents Have Adequate and Affordable Access to Health Care. (Sen. Sanborn, D-Cumberland) Joint Standing Committee on Health Coverage, Insurance and Financial Services. A concept draft, this bill proposes to ensure that consumer protections in health insurance are maintained under state law.

LD 1611, An Act To Support Universal Health Care. (Rep. Brooks, D-Lewiston) Joint Standing Committee on Health Coverage, Insurance and Financial Services. This bill establishes the Maine Health Plan to provide universal health care coverage to all residents of this State. The bill is modeled on proposed legislation considered in Minnesota.

LD 2106, An Act Regarding Prior Authorizations for Prescription Drugs. (Sen. Gratwick, D-Penobscot) Joint

Standing Committee on Health Coverage, Insurance and Financial Services. This bill makes the following changes.

- It adds a definition of "prior authorization" and clarifies the definitions of "medically necessary health care" and "participating provider" used in the Maine Insurance Code, chapter 56-A.
- 2. It sets forth additional requirements for carriers to facilitate the processing of prior authorization requests for prescription drugs by providers.

LD 2110, An Act To Lower Health Care Costs. (President Jackson, D-Aroostook) Joint Standing Committee on Health Coverage, Insurance and Financial Services. This bill establishes the Maine Commission on Affordable Health Care to monitor health care spending growth in the State and also set health care quality benchmarks. The bill also requires the commission to establish health care spending targets for public payors, including separate targets for prescription drugs.

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JUDICIARY LEGISLATION

JUDICIARY ENACTED...

LD 1294 (R 113), Resolve, Directing the Maine Human Rights Commission To Implement a Pilot Program To Investigate and Report on Incidents of Harassment Due to Housing Status, Lack of Employment and Other Issues. (Rep. Talbot Ross, D-Portland) Joint Standing Committee on Judiciary. This resolve directs the Maine Human Rights Commission to create a 2-year pilot program to receive, review and investigate incidents and complaints of harassment due to a person's lack of employment or housing status and other reports of interference with a person's access to public accommodations. In carrying out the pilot program, the commission must investigate and respond to incidents and complaints of harassment as set out in the Maine Revised Statutes, Title 5, sections 4611 and 4612. The commission is authorized to use any of its powers under Title 5, section 4566 to carry out the pilot program and may limit its scope. The commission is directed to produce an interim report for submission to the Joint Standing Committee on Judiciary by September 15, 2021 and a final report to the joint standing committee of the Legislature having jurisdiction over judiciary matters by September 15, 2022. The reports are authorized to contain recommendations on changes to the program or for its continuation as well as proposed legislation to carry out any recommendations.

JUDICIARY CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 1703, An Act To Improve Consistency within the Maine Human Rights Act. (Rep. Bailey, D-Saco, for the Maine Human Rights Commission) Joint Standing Committee on Judiciary. The purpose of this bill is to address inconsistencies in the protections provided in different areas of jurisdiction under the Maine Human Rights Act. The bill provides more inclusive protection by:

- Including adult family members dependent for care in the definition of "familial status:"
- 2. Including familial status as a protected class in employment;
- 3. Including age as a protected class in public accommodations;
- 4. Providing that public entities cannot **Continued on Page 40...**

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- discriminate on the basis of protected class; and,
- Clarifying the scope of the Maine Human Rights Act application in education

The bill also clarifies the protections provided to pregnant persons in employment and that the sexual orientation provisions already in the Maine Human Rights Act extend to gender identity.

LABOR LEGISLATION

LABOR DEFEATED...

LD 2015, An Act To Provide for Leave from Work for Victims of Domestic Violence, Sexual Assault or Stalking. (Rep. Daughtry, D-Brunswick) Joint Standing Committee on Labor and Housing.

LABOR CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 402, An Act To Restore Overtime Protections for Maine Workers. (Rep. Tipping, D-Orono) Joint Standing Committee on Labor and Housing. This bill annually raises the minimum salary that an employee who works in an executive, administrative or professional capacity must earn in order for that employee to be exempt from the laws governing the minimum wage and overtime pay until it is \$55,224 on January 1, 2022. The bill provides for an annual adjustment, beginning January 1, 2023, based on the percentage annual increase in certain earnings as published by the United States Department of Labor, Bureau of Labor Statistics.

LD 507, An Act To Amend the Laws Governing Employer Recovery of Overcompensation Paid to an Employee. (Rep. Doore, D-Augusta) Joint Standing Committee on Labor and Housing. This bill amends the definition of "overcompensation" by an employer to include compensation in the form of paid leave. It changes the maximum amount an employer can withhold from an employee's pay to recover overcompensation from 10% to 5%. It

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prohibits an employer from recovering more than the amount of overcompensation paid to an employee in the 3 years preceding the discovery of the overcompensation. The bill also specifies that the section of law regarding overcompensation by employers that includes these provisions does not limit or affect an employee's general civil remedies against an employer.

LD 857, An Act To Increase Accountability for Wage Violations. (Rep. Collings, D-Portland) Joint Standing Committee on Labor and Housing. This bill amends the law regarding employment practices by increasing the fine for a violation of certain state wage and benefits laws to \$500 for the first violation and \$2,500 for each subsequent violation and by providing a private right of action for a person aggrieved of such a violation. It amends the law regarding employees' remedies to provide that in a judgment for an employee an additional amount of 3 times the unpaid wages must be awarded the employee. It also provides ongoing funds for 10 labor and safety inspector positions within the Department of Labor, Bureau of Labor Standards, wage and hour division beginning October 1, 2019. LD 1051, An Act To Create the Maine Family First Employer Program. (Sen. Herbig, D-Waldo) Joint Standing Committee on Labor and Housing. This bill creates the Maine Family First Employer Program under the Department of Labor to award employers that create family-friendly workplaces by providing, for all full-time employees, advancement and leadership opportunities; the same pay rates for similar work; stipends or assistance for child care; paid leave for the birth or adoption of a child and medical care for employees or family members of employees; flexible work accommodations for other family obligations; and health insurance and retirement plan options. The awards are presented by the Governor and come with a logo that a designated employer may use for promotional purposes.

LD 1410, An Act To Create Paid Family and Medical Leave Benefits. (Speaker Gideon, D-Freeport) Joint Standing Committee on Labor and Housing. This bill establishes a paid family and medical

leave benefits program administered by the Department of Labor. The program provides up to 12 weeks of family leave and up to 20 weeks of medical leave to eligible covered individuals. No more than 20 weeks of family leave and medical leave in the aggregate may be taken in a 12-month period. An individual is eligible for leave under the program after working 26 weeks or more for any employer in the 12 months prior to submitting an application or if the individual is self-employed and has elected to be part of the program.

The maximum weekly benefit amount is capped at 100% of the state average weekly wage. The weekly benefit amount is 90% of the portion of the covered individual's average weekly wage that is equal to or less than 50% of the state average weekly wage and 67% of the portion of the covered individual's average weekly wage that is more than 50% of the state average weekly wage.

Covered individuals are required to file claims for benefits in accordance with rules adopted by the department and to provide certification that they qualify for family leave or medical leave.

This bill establishes the Family and Medical Leave Insurance Fund to support the program. The funds for administrative costs and payment of benefits will come from payroll contributions by employees.

The bill requires payroll contributions to begin January 1, 2021, and benefits will be paid out beginning January 1, 2022.

LD 1529, An Act Concerning Nondisclosure Agreements in Employment. (Rep. Harnett, D-Gardiner) Joint Standing Committee on Labor and Housing. This bill prohibits employers from requiring agreements that prevent an employee or prospective employee from disclosing or discussing discrimination, including harassment, occurring between employees or between an employer and an employee.

The bill prohibits settlement agreements, unless requested by the employee, prospective employee or former employee, from including a provision that prevents the disclosure of factual information relating to a claim of discrimination, including harassment. Agreements may not explicitly or implicitly limit an individual's ability to provide testimony or evidence, file claims or make reports to any federal or state agency that enforces employment or discrimination laws,

including, but not limited to, the Maine Human Rights Commission and the Department of Labor.

An employee, prospective employee or former employee is not liable for damages for breaching a prohibited nondisclosure agreement or a settlement agreement. LD 1639, An Act To Require Comprehensive Responsible Contracting Practices for Public Construction Projects. (President Jackson. Aroostook) Joint Standing Committee on Labor and Housing. Part A, for the purpose of ensuring that the work on public construction contracts is performed by responsible, qualified contractors that maintain the capacity, expertise, personnel and other qualifications and resources necessary to successfully perform public contracts in a timely, reliable and costeffective manner, establishes responsible contractor requirements for publicly funded construction projects that receive state funds. The Part outlines a responsible contractor certification process to be administered by the Department of Administrative and Financial Services.

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Bureau of General Services.

Part A also clarifies that, for the purpose of the law requiring fair minimum rate of wages and benefits on public works contracts, "public works" includes any construction projects funded all or in part with state funds. Part A also amends the method of determining the prevailing wage and benefits rate paid in the construction industry to require the Department of Labor, Bureau of Labor Standards to ascertain the applicable wage and benefits rates established in collective bargaining agreements in private construction and includes in benefits wages paid to apprentices in apprenticeship programs registered with the department.

Part B requires the Executive Director of the Workers' Compensation Board or the executive director's designee to immediately issue a stop-work order to an employer who fails to procure workers' compensation insurance coverage. It requires the executive director or the executive director's designee to issue a stop-work order to an employer if the executive director or the executive director's designee finds after a hearing that the employer knowingly misrepresented employees as independent contractors or provided false, incomplete or misleading information to an insurance company on the numbers of employees the employer has for the purpose of paying a lower payment.

Part C encourages the State to use project labor agreements for large-scale state-funded construction projects of \$10,000,000 or more. A project labor agreement is a prehire collective bargaining agreement with one or more labor unions that establishes the terms and conditions of employment for a specific construction project.

Part D requires an employer with a public works contract with the State of \$50,000 or more to provide to all employees who will be on the construction work site a safety training program that uses a curriculum approved by the United States Department of Labor, Occupational Safety and Health Administration and that is at least 10 hours in duration. Flaggers, security workers and certain other employees not considered to be on the work site are exempt from this requirement. A contractor that violates this safe-

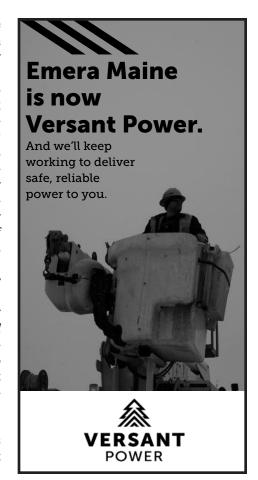
ty training program requirement may be assessed a fine of up to \$2,500 and an additional fine of \$100 per employee for each day of noncompliance.

Part E provides that for public works construction contracts that involve funding from the Federal Government the prevailing wage requirements in state law apply unless the prevailing wage requirements that would otherwise apply under the federal Davis-Bacon Act would result in higher total wages under the contract. An exception is provided for funds received under the United States Housing Act of 1937 if the application of a state prevailing wage is expressly preempted by federal law.

LD 1693, An Act To Enhance Enforcement of Employment Laws. (President Jackson, D-Aroostook) Joint Standing Committee on Labor and Housing. This bill authorizes private persons, acting in the public interest, to enforce the laws governing employment practices and prohibiting unfair discrimination in the workplace. Under this bill:

- 1. Private persons or whistleblowers, acting as relators, may bring public enforcement actions of employment laws on behalf of the State;
- Civic organizations may assist aggrieved persons in reporting violations of employment laws; and
- 3. Persons who are injured by violations of employment laws are protected from retaliation.

LD 1965, An Act To Set a Minimum Wage for School Support Staff. (Rep. Collings, D-Portland) Joint Standing Committee on Labor and Housing. This bill establishes a minimum wage of \$16.00 per hour for school support staff. LD 2087, An Act Relating to Fair Chance in Employment. (Rep. Talbot Ross, D-Portland) EMERGENCY Joint Standing Committee on Labor and Housing. This bill prohibits an employer from requesting criminal history record information on an initial employee application form, subject to certain exceptions. An employer may inquire about a prospective employee's criminal history record information during an interview or once the prospective employee has been determined otherwise qualified for the position. The bill prohibits an employer from stating on an initial employee application form or advertisement or otherwise asserting that a person with a criminal history may not apply



or will not be considered for a position, subject to certain exceptions. The bill provides that if an employer inquires about a prospective employee's criminal history record information, the prospective employee, if still eligible for the position under applicable federal or state law, must be afforded an opportunity to explain the information and the circumstances regarding any convictions, including post-conviction rehabilitation.

TAXATION LEGISLATION

TAXATION ENACTED...

LD 2008 (PL 607), An Act Making Technical Changes to the Maine Tax Laws. (Rep. Tipping, D-Orono) Joint Standing Committee on Taxation. The bill makes technical changes to Maines tax laws. The bill among other things clarifies that information regarding the tax credit for major food processing and manufacturing provided to OPEGA is considered exempt from

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confidentialy statutes. It also delays the State Tax Assessor's reporting requirement for the Maine Shipbuilding Credit and the tax credit for major food processing and manufacturing to December 31st of each year.

TAXATION DEFEATED...

LD 731, An Act to Amend the Maine Tax Laws. (Rep.Tipping, D-Orono) Joint Standing Committee on Taxation.

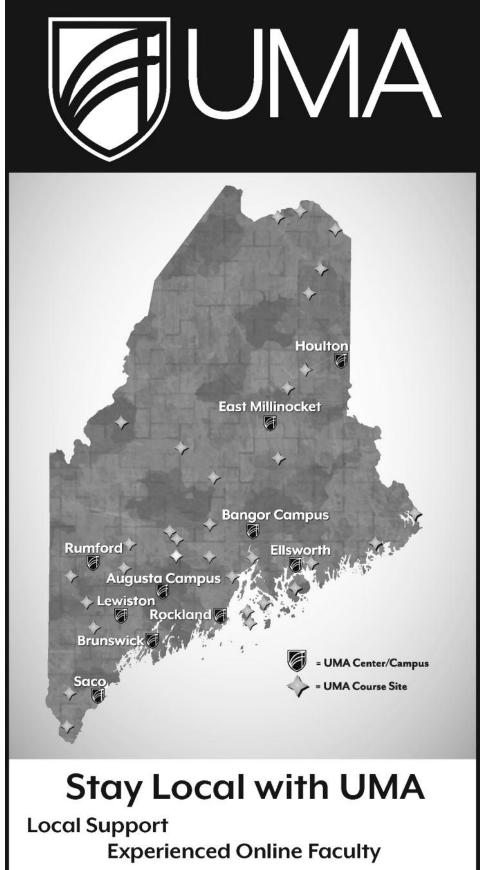
LD 903, An Act to Improve Corporate Tax Fairness by Amending the Rates Imposed on Corporate Income. (Rep. Cuddy, D-Winterport) Joint Standing Committee on Taxation.

LD 1898, An Act Regarding Property Taxes on Certain Energy Generation *Projects*. (Sen. Sanborn, D-Cumberland) Joint Standing Committee on Taxation.

TAXATION CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 70, An Act to Support the Trades Through a Tax Credit for Apprenticeship. (Sen. Herbig, D-Waldo) Joint Standing Committee on Taxation. The bill would provide an employer, who employs an apprentice, with a tax credit of up to \$2,500 or a partial tax credit depending on how long the apprentice is employed. It also would provide for a partial credit if the appretice is employed for fewer than 2,000 hours during a calendar year. LD 71, An Act to Reinstate the Income Tax Deduction for Contributions to College Savings Accounta. (Sen. Guerin, R-Penobscot) Joint Standing Committee on Taxation. The bill would reinstate the income tax deduction for certain contributions to qualified tuition programs under Section 529 of the Internal Revenue Code up to \$250 per beneficiary.

LD 73, An Act to Provide an Income Tax Credit for Certain Student Loan Repayments. (Sen. Pouliot, R-Kennebec) Joint Standing Committee on Taxation. The bill would provide an income tax credit for certain student loans made by the Finance Authority of Maine or administered by the Finance Authority of Maine. LD 335, An Act to Require the State to Distribute 25% of Adult Use Marijuana Retail Sales and Excise Tax Revenue to Continued on Page 45...



Affordable Tuition

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Legislative Digest... (Continued from Page 44...)

Generating Municipalities. (Rep. Warren, D-Hallowell) Joint Standing Committee on Taxation. The bill does what the title suggests. It proposes to distribute 25% of adult use marijuana retail sales tax to municipalities where the revenue was generated.

LD 403, An Act to Prevent Tax Haven Abuse. (Rep. Tipping, D-Orono) Joint Standing Committee on Taxation. The bill would require that corporations that file unitary tax returns in Maine to include income from other certain jurisdictions outside the US in net income when apportioning among tax jurisdictions.

LD 420, An Act to Amend the Maine Exclusion Amount in the Estate Tax. (Rep. Collings, D-Portland) Joint Standing Committee on Taxation. The bill would lower the exclusion amount for Maine estate tax from \$5,400,000 to \$2,000,000. LD 607, An Act to Provide Equitable Taxation for the Food and Beverage Industry. (Sen. Guerin, R-Glenburn) Joint Standing Committee on Taxation. The bill would allow a deductiont from Maine individual and corporate taxable income for the federal tax credit allowed to an employer for the employer's share of federal social security taxes paid on the portion of the employee's tips that cause the employee's wages to exceed \$5.15 per hour.

LD 609, An Act to Provide Municiapalities Additional Sales Tax Revenue from Lodging Sales. (Rep. Terry, D-Gorham) Joint Standing Committee on Taxation. This bill provides an incremental sales tax of 1% for those sales currently subject to the 9% sales tax on lodging. The incremental revenue, after reduction for administrative costs, is returned to the municipality or unorganized territory to which the revenue is attributable. The amount received may not be used to reduce any other state aid or revenue sharing to municipalities or the unorganized territory. LD 611, An Act to Provide Supplemental Appropriations and Allocations for the Operations of State Government. (Rep. Jorgensen, D-Portland) Joint Standing Committee on Taxation. The bill is a concept draft that proposes to provide supplemental appropriations and allocations necessary for the operations of state government for the fiscal year ending June 30, 2019.

LD 625, An Act to Phase out the Insurance Premium Tax on Annuities. (Rep. Stanley,

D-Medway) *Joint Standing Committee on Taxation*. The bill would phase out the insurance premium tax on annuity considerations over 4 years beginning in 2020.

LD 977, An Act to Restore the Super Credit for Substantially Increased Research and Development. (Rep. Hepler, D-Woolwich) Joint Standing Committee on Taxation. The bill would reinstate the super credit for qualified research and development expenses that expired back in 2014, for tax years beginning on or after January 1, 2019.

LD 989, An Act to Improve Maine's Tax Laws. (Sen. Chipman, D-Cumberland) Joint Standing Committee on Taxation. The bill proposes to make changes to the tax laws to improve the application and efficacy of the tax laws.

LD 1164, An Act to Improve the Educational Opportunity Tax Credit. (Sen. Pouliot, R-Kennebec) Joint Standing Committee on Taxation. The bill replaces the exisiting educational opportunity tax credit with a new proposed simplified version applicable to tax years after January 1, 2020. The credit for employers is the lesser of the amount the employer paid on behalf of the qualified employee and 20% of the outstanding student loan debt. The credit for the employee would be the lesser of the amount paid on eligible student loans and 15% of the outstdning student loan debt on the date the first education loan is made after degree earned.

LD 1254, An Act to Authorize a Local option Sales Tax on Meals and Lodging and Provide Funding to Treat Opioid Disorder. (Rep. Sylvester, D-Portland) Joint Standing Committee on Taxation. The bill would allow a municipality by referendum to establish a local option tax of no more than 1% on prepared food, and short term lodging if approved by a local referendum. The generating muncipality would receive 85% of the revenues and the other 15% of revenues would be distributed to all other municipalities across the state.

LD 1929, Resolve Establishing a Commission to Study Fair, Equitable and Competitive Tax Policy for Maine's Working Families and Small Businesses. (Rep. Fecteau, D-Biddeford) Joint Standing Committee on Taxation. The bill would do what the title suggests, that is, to establish a commission to study the impacts of the State's tax policy on working families and small businesses, The Commission would be responsible for developing recommenda-

tions designed to ensure that tax policy of the state is fair and equitable while ensuring the State remains competitive. The Commission is directed to submit a report to the Legislature by November 4, 2020.

LD 2010, An Act to Update References Contained in the Maine Revised Statutes to the Unites State Interanl Revenue Code of 1986. (Rep. Tipping, D-Orono) Joint Standing Committee on Taxation. The bill affects the States income tax laws and update references to the US Internal Revenue Code of 1986 contained in the Maine Revised Statutes, Title 36 to refer to the US IRS Code of 1986 as amended through December 31, 2019 for tax years beginning on or after January 1, 2019 and for any priior tax years as specifically provided by the US IRS of 1986 as amended. LD 2011, An Act to Update Certain Provisions in the Income Tax and Service Provider Tax Laws. (Rep. Tipping, D-Orono) Joint Standing Committee on Taxation. The bill makes changes to the income tax and service provider tax laws. The bill extends the service provider tax of 6% to digital audio and visual services or "streaming service". The bill also conforms Maine income tax laws to the federal net operating loss limitation retroatively to tax years beginning or after january 1, 2018.

LD 2123, An Act to Create Fairness in the Revitatlization of Maine's Paper Industry. (Pres. Jackson, D-Aroostook) Joint Standing Committee on Taxation. The bill creates a 4% refundable tax credit for a paper industry manufacturer that meets certain requirements. The manufacturer must be headquartered or will be headquartered in the State; employs at least 400 employees; make a qualifying investment before January 1, 2024 of at least \$15,000,000 to acquire, modernize or improve machinery for the production of paper products at a paper manufacturing facility in this state; does not receive a Maine new markets capital investment credit for the same investment and is located in a high unemployment area.

TRANSPORTATION LEGISLATION

TRANSPORTATION DEFEATED...
LD 1034, An Act To Provide Revenue To

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Fix and Rebuild Maine's Transportation Infrastructure. (Rep. McClean, D-Gorham) Joint Standing Committee on Transportation.

TRANSPORTATION CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 1093, An Act To Authorize a General Fund Bond Issue To Invest in Maine's Railroad Infrastructure. (Sen. Claxton, D-Auburn) Joint Standing Committee on Appropriations and Financial Affairs. The funds provided by this bond issue, in the amount of \$50,000,000, will be used for investments in railroad infrastructure to expand passenger rail service, with a priority for railroad track corridors that could support passenger and freight intermodal operations and enhance the movement of agricultural products.

UTILITIES AND ENERGY LEGISLATION

UTILITIES AND ENERGY DEFEATED...

LD 564, An Act To Encourage the Installation of Solar Panels on Residential Property. (Rep. Blume, D-York) Joint Standing Committee on Energy, Utilities and Technology.

LD 790, An Act To Eliminate the Cap on the Number of Accounts or Meters Designated for Net Energy Billing. (Sen. Mirament, D-Knox) Joint Standing Committee on Energy, Utilities and Technology.

LD 1127, An Act To Expand Community-based Solar Energy in Maine. (Sen. Sanborn, D-Cumberland) Joint Standing Committee on Energy, Utilities and Technology.

LD 1163, An Act Regarding Energy, Utilities and Technology. (Sen. Lawrence, D-York) Joint Standing Committee on Energy, Utilities and Technology.

UTILITIES AND ENERGY CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 13, An Act To Allow Microgrids That Are in the Public Interest. (Rep. Devin, D-Newcastle) Joint Standing Committee on Energy, Utilities and Technology. This bill directs the Public Utilities Commission to approve a petition to construct and operate a new microgrid if the commission finds the proposal to be in the public interest and the new microgrid meets other specified requirements. It provides the commission with the ability to impose such terms, conditions or requirements as, in its judgment, it considers necessary in approving a new microgrid and also gives the commission oversight to ensure reliability and security of the electrical system and consumer protections for new microgrid consumers. It specifies that a new microgrid does not become a public utility as a result of its furnishing electrical service to participating consumers. It provides that a new microgrid that has been approved by the commission may construct, maintain or operate its lines in, upon, along, over, across or under the roads and streets. The bill directs the Public Utilities Commission to submit a report to the joint standing committee of the Legislature having jurisdiction over energy and utility matters by January 15, 2021.

LD 173, An Act To Promote Economic Development and Critical Communications for Family Farms, Businesses and Residences by Strategic Public Investment in High-speed Internet. (Rep. McCrea, D-Fort Fairfield) Joint Standing Committee on Energy, Utilities and Technology. This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to increase funding to the ConnectME Authority from \$1,000,000 to \$5,000,000 to expand universal broadband and high-speed Internet into rural areas identified as the 6% of the State unserved by high-speed Internet. This bill proposes to make expanding high-speed Internet into unserved rural areas a key emphasis in the economic development of and to multiply the return to the State by directing the ConnectME Authority to use the increased funding to increase the rate of strategic broadband investment and leverage additional federal funding to provide middle-mile and last-mile infrastructure in the unserved areas and to correct broadband deficiencies identified in

the ConnectME Authority's baseline update of 2013.

LD 354, An Act To Authorize a General Fund Bond Issue To Encourage the Provision of Reliable High-speed Internet in Rural Underserved Areas of Maine. (Sen. Herbig, D-Waldo) Joint Standing Committee on Energy, Utilities and Technology. The funds provided by this bond issue, in the amount of \$20,000,000, will be used for encouraging the provision of reliable high-speed Internet in rural underserved areas of Maine.

LD 912, An Act To Establish the Wood Energy Investment Program. (President Jackson, D-Aroostook) Joint Standing Committee on Energy, Utilities and Technology. This bill establishes the wood energy investment fund and creates the Wood Energy Investment Program within the Efficiency Maine Trust. The bill specifies that, if the Public Utilities Commission finds that an entity awarded a contract for biomass resources pursuant to Public Law 2015, chapter 483 is not meeting contract requirements and therefore is not qualified to receive the full contract payment or any contract payment, those funds that would have been paid had contract requirements been met must be transferred to the wood energy investment fund. It also specifies that any funds remaining in the cost recovery fund established in Public Law 2015, chapter 483, section 1, subsection 5 that are not needed to pay above-market costs for biomass resources must also be transferred by the Public Utilities Commission to the wood energy investment fund. It requires the trust to use funds from the fund, if there are any, to provide incentives and low-interest or no-interest loans for new wood-derived thermal energy or cogeneration projects. It requires that the trust consult with the Finance Authority of Maine, when appropriate, in the development of any Wood Energy Investment Program incentives and the distribution of money from the wood energy investment fund. It prohibits the use of funds for incentives or loans for the refurbishment or maintenance of existing facilities.

LD 1080, Resolve, Regarding Biofuel in Number 2 Heating Oil. (Rep. Riley, D-Jay) EMERGENCY Joint Standing Committee on Energy, Utilities and

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Technology. This resolve directs the Executive Department, Governor's Energy Office to oversee a study of and report to the Joint Standing Committee on Environment and Natural Resources on the feasibility of setting a requirement for the percentage of biofuel to be used in #2 heating oil.

WORKFORCE DEVELOPMENT LEGISLATION

WORKFORCE DEVELOPMENT DEFEATED...

LD 1521, An Act To Expand Skill Development Opportunities for Maine Youth. (Sen. Keim, R-Oxford) Joint Standing Committee on Education and Cultural Affairs.

WORKFORCE DEVELOPMENT CARRIED OVER TO FUTURE SPECIAL SESSION...

LD 1258, An Act To Increase Access to Transportation for Workforce and Other Essential Transportation Needs. (Rep. Sheats, D-Auburn) Joint Standing Committee on Transportation. This bill requires the quinquennial locally coordinated plan for regional transit submitted by each regional public transportation agency to focus on meeting workforce needs. This bill also provides funding to the Department of Transportation to support and expand local volunteer driver networks; to create a pilot purchase of service program in a selected region of the State to provide senior citizens and persons with disabilities vouchers to purchase their own transportation services; and for regional transportation providers throughout the State, split evenly between rural and urban areas, to expand their services, including addressing regional workforce needs.

LD 1520, An Act To Create and Sustain Jobs through Development of Cooperatives and Employee-owned Businesses. (Sen. Libby, D-Androscoggin) Joint Standing Committee on Innovation, Development, Economic Advancement and Commerce. This bill supports employee-owned business-

es and cooperatives in the following ways.

- 1. It excludes from Maine income tax the amount of gain, up to a maximum of \$750,000 recognized by a business owner in transferring the business to an employee stock ownership plan, eligible worker-owned cooperative, consumer cooperative or affordable housing cooperative.
- It excludes from Maine income tax interest from loans that finance transfers of ownership from a business to an employee stock ownership plan, eligible worker-owned cooperative, consumer cooperative or affordable housing cooperative.
- It requires the Department of Economic Community and Development, Office of Business Development to encourage and assist employee-owned businesses requiring the office to: develop educational programs, including convening an annual conference on employee ownership issues; provide information about employee ownership and technical assistance to retiring business owners, employees of plants threatened with closure and entrepreneurs interested in creating businesses with broadly shared ownership; link Maine businesses interested in implementing employee ownership to available technical financial, and resources; and help businesses interested in implementing some form of employee ownership to obtain financing, as well as undertake other duties. It requires the Commissioner of
- Economic and Community
 Development to give priority to
 employee-owned businesses, either
 established or in the process of becoming employee-owned, when providing
 loans or grants from funds or programs maintained by the department.
- 5. It requires the Maine Public Employees Retirement System to conduct a study to determine how funds held by the system may be invested responsibly in employee-owned businesses in this State and to report its findings to the Joint Standing Committee on Innovation, Development, Economic Advancement and Business, which is authorized to report out a bill to the Second Regular Session of the 129th Legislature based on the study and rec-

ommendations of the system.

- LD 2109, An Act To Implement the Recommendations of the Commission To Study Long-term Care Workforce Issues. (Rep. Hymanson, D-York) Joint Standing Committee on Health and Human Services. This bill implements the recommendations of the Commission To Study Long-term Care Workforce Issues, which was established by Public Law 2019, chapter 343, Part BBBBB, section
- 1. The bill does the following:
- 1. It requires direct care workers across the long-term care spectrum to be paid no less than 125% of the minimum wage. It requires the Department of Health and Human Services to adopt rules that take into account the cost of this increased wage in its reimbursement rates.
- It requires the Department of Health and Human Services to adopt rules to increase reimbursement rates under Chapter 101: MaineCare Benefits Manual and any state-funded programs to take into account costs of providing care and services in conformity with applicable state and federal laws, rules, regulations, training requirements and quality and safety standards, including, but not limited to, increases in the minimum wage, earned paid leave, electronic visit verification, background checks and other costs that are not provided for in the current reimbursement rates.
- It establishes a long-term care workforce oversight advisory committee to collect and compile data related to workforce shortages and services provided to clients, review progress by the Department of Health and Human Services regarding recommendations provided to the department and the joint standing committee of the Legislature having jurisdiction over health and human services matters, including the recommendations of the Commission To Study Long-term Care Workforce Issues, identify barriers to implementing recommendations and make recommendations on proposals to address long-term care workforce shortages. The oversight committee must submit an annual report to the joint standing committee of the Legislature having jurisdiction over health and human services matters. □

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A SPECIAL NOTE OF THANKS

Thank you to the countless

LEGISLATORS and

ADMINISTRATORS, and

GOVERNOR JANET MILLS,

for their willingness
to discuss the tough issues
in search of equitable solutions;
for PARTNERSHIPS with other
associations as we build
collaboration; and, for MEMBERS
who are willing to lend their voices
to our grassroots efforts.

The Maine State Chamber is looking out for your best interests every day,

whether monitoring legislation at the Statehouse, testifying on your behalf before key committees, or meeting with the Governor and other key leaders.

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